The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. Bonilla).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:


I hereby appoint the Honorable Henry Bonilla to act as Speaker pro tempore on this day.

J. Dennis Hastert, House of Representatives.

Pledge of Allegiance

The SPEAKER pro tempore, Will the gentleman from Florida (Mr. Weldon) come forward and lead the House in the Pledge of Allegiance?

Mr. WELDON of Florida led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Recognizing and Welcoming the Reverend Lawrence Hargrave

Ms. SLAUGHTER asked and was given permission to address the House for 1 minute.

Ms. SLAUGHTER. Mr. Speaker, it is with my great pleasure to recognize and welcome Reverend Lawrence Hargrave, one of my constituents but, moreover, a friend and a mentor to be the guest chaplain in the House of Representatives today.

I am extremely proud of Reverend Hargrave, not only for his heartfelt prayer service this morning, but for his continued commitment to the Rochester community.

Lawrence Hargrave completed his degree in sociology from SUNY Buffalo in 1969. Remarkably, after working for almost 30 years in the private sector, he answered the call for service and completed a Master’s of Divinity from Colgate Rochester Crozer Divinity School. Reverend Hargrave is currently the acting dean of Black Church Studies at the school and is the associate minister at Mt. Olivet Baptist Church in Rochester.

As a dedicated community servant, Reverend Hargrave is committed to interfaith discussion and dialogue. Specifically, he serves on the Rochester Interfaith Jail Ministry Board of Directors and is a member of the Commissions on Christian-Muslim and Christian-Jewish Relations.

On behalf of the House of Representatives, I thank Reverend Hargrave for being here with us this morning, and I ask my colleagues to join me in honoring Reverend Hargrave for his years of faithful service to the people of New York and to his God.

Recognizing and Welcoming the Reverend Lawrence Hargrave

Mr. Speaker, one of the things we are hearing in our district that is such a problem is illegal immigration, the impact that illegal immigration has on jobs, on the economy, on our district. And this is one of those pieces of legislation that is designed to help us have another tool to fight illegal immigration.

Very simply, what it does is this: The 1986 Immigration Enforcement Act puts in place fines for employers who knowingly and willingly hire illegal immigrants to work in their businesses. This act would prohibit them from negotiating those fines down and put fines in place that are right for the job.

And this is one of those pieces of legislation that I have recently introduced. It is H.R. 3262; and it is called EVAA, the Employer Verification Accountability Act.

I am rising this morning to talk about a piece of legislation that I have recently introduced. It is H.R. 3262; and it is called EVAA, the Employer Verification Accountability Act.

Mr. Speaker, of the things we are hearing in our district that is such a problem is illegal immigration, the impact that illegal immigration has on jobs, on the economy, on our district. And this is one of those pieces of legislation that is designed to help us have another tool to fight illegal immigration.

Very simply, what it does is this: The 1986 Immigration Enforcement Act puts in place fines for employers who knowingly and willingly hire illegal immigrants to work in their businesses. This act would prohibit them from negotiating those fines down and require them to pay the $10,000 fine per violation.

I would like to commend this legislation to the body and invite the Members to join me in cosponsoring H.R. 3262.
CAPTA: A RAW DEAL FOR AMERICA

(Ms. LINDA T. SÁNCHEZ of California asked and was given permission to address the House for 1 minute.)

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I rise today because CAPTA is a raw deal for America, and opposition to this agreement is so strong that the pushers of CAPTA are resorting to lies, deceptions, and backdoor deals.

We all know that CAPTA means exporting American jobs because of access to cheap labor markets with almost nonexistent environmental and labor standards.

All week long we have heard from the supporters of this badly negotiated trade agreement that they have the votes they need to pass it. But I do not want anybody to be fooled and buy this lie. The truth is that the overwhelming majority of House Members have already indicated that they oppose this bill because it is a bad deal for American workers.

They will not even tell us when CAPTA will come to the floor for a vote. Instead, we come to see CAPTA come deceptively to the floor in the middle of the night when they think the American public is not watching.

I urge my colleagues to vote their conscience, to not accept backdoor deals, to stand their ground. Vote for conscience, to not accept backdoor deals.

We are resorting to lies, deceptions, and backdoor deals.

IN SUPPORT OF THE ENERGY CONFERENCE REPORT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I am very proud to report that sometime this morning we are going to file the energy conference report. This is a piece of legislation both parties can take pride in. A majority of the House Committee on Energy and Commerce Democrats have signed the conference report, including the gentleman from Michigan (Mr. DINGELL), distinguished ranking minority member. All of the Republicans have signed it in the Senate. Thirteen of the 14 Senate conferees have signed it.

This bill is going to transform our Nation's energy economy. It is going to breathe new life into clean coal technology, nuclear technology, renewable technology, and the ethanol industry. It is going to create tens of thousands of jobs for the American economy. It is going to lessen dependence on foreign sources of energy.

Regardless of what part of the country or what part of the economy each American is in, this energy bill will be a good deal for all Americans; and I would urge a "yes" vote when it comes to the floor sometime tomorrow afternoon.

PRESCRIPTION DRUG REIMPORTATION

(Mr. EMANUEL asked and was given permission to address the House for 1 minute.)

Mr. EMANUEL. Mr. Speaker, the stars have aligned. Senator Frist has agreed to a vote on drug reimportation. That is how we recognize health care reform and Health Care Week and make a dent in skyrocketing health care costs. Now we are getting somewhere.

I should not have to remind Members of this body that in the last Congress we were in the House on a peace reimportation with a bipartisan majority. It is time now for an up-or-down vote in this House. In the very week we are debating health care reform, only 1 week, I might add, what is conspiraciously absent? The vote itself which actually would help control costs of drugs and pharmaceutical products, the reimportation, providing Americans with a 50 percent reduction in the price of their prescription drugs.

Springfield, Massachusetts saved $6 million in the first year they began importing prescription drugs. But we cannot have any of that here in the people's House. No. We get to vote on protecting drug companies like Merck, who make Vioxx, from any public re- dress for misleading the public. George Orwell would appreciate that.

Americans can no longer afford double-digit increases in prescription drugs. Mr. Speaker, it is time we give them a break and a vote on reimportation of pharmaceutical products. That is the right way to make progress on controlling health care costs.

SALUTING NASA ON A SUCCESSFUL LAUNCH OF SPACE SHUTTLE "DISCOVERY"

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, I rise today to salute the men and women of NASA and the contractor community for a successful launch of the Space Shuttle Discovery following a 2 1/2 year hiatus in the operations of our space shuttle program.

Yesterday morning I had the pleasure of witnessing the launch at the Banana Creek viewing site along with First Lady Laura Bush, and it was truly a beautiful sight to see our space shuttle flying again.

As shuttle commander Eileen Collins and the crew of Discovery work to complete their mission, we here in the House of Representatives, and I am sure every American can join me in this, wish the Discovery and a safe return to planet Earth.

A THREAT TO QUALITY HEALTH CARE

(Mr. PRICE of Georgia asked and was given permission to address the House for 1 minute.)

Mr. PRICE of Georgia. Mr. Speaker, 20 States including my home State of Georgia are experiencing a medical liability crisis. Hospitals are shutting their doors, doctors are leaving the profession, and patients are the ones left out in the cold.

OB-GYN doctors and some surgeons are paying hundreds of thousands of dollars a year in insurance premiums. One-third of the OB doctors in my State no longer deliver babies because delivering a baby is defined as a "high-risk procedure." Other specialists no longer cover emergency procedures.

One tragic story I am reminded of is a man who came to the emergency room after a fall with a subdural hematoma, or "bleeding on the brain." What is required to treat this is a relatively simple procedure performed by a neurosurgeon to relieve pressure on the brain. Instead of being saved, he died; and he died because there were no neurosurgeons at the hospital due to frivolous lawsuits and skyrocketing insurance rates.

Mr. Speaker, court rooms are interfering with our operating rooms and are threatening health care quality and raising the cost of health care for all Americans.

The HEALTH Act puts patients first and will protect our health care system for our children and our grandchildren. I urge my colleagues to support H.R. 5. Vote for the HEALTH Act.

IN OPPOSITION TO CAPTA

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute.)

Mr. BLUMENAUER. Mr. Speaker, I take my 1 minute today to discuss CAPTA because there will be little meaningful debate on the most important trade bill of this Congress. CAPTA is important less because of what is in it than what is not and because what it has come to represent.

I come from a trade-oriented community, and I believe in honest trade. I personally asked President Bush to insist upon bipartisan trade legislation that would command at least 250 votes in this Chamber. This is possible if we are fair to workers at home and abroad and more sensitive to the environment.

Instead, CAPTA has been crafted to be the lowest common denominator calculated to pass. By pandering to special interests, it reminds one of the old television show "Let's Make a Deal."

This is a lost opportunity. I will no longer support substandard trade agreements and await the day when we put principle and people before raw political calculation, pretending that it is trade policy.
CAFTA
(Mr. PASCRELL asked and was given permission to address the House for 1 minute.)

Mr. PASCRELL. Mr. Speaker, NAFTA is the template on which this CAFTA agreement has been forged. Let us use the documented results of NAFTA to predict what will happen if Congress passes this latest flawed trade agreement.

Workers will see a decrease in real wages. The statistics are very clear.

Number 2, CAFTA cannot reduce the number of immigrants. In fact, quite the contrary. What we have had in Mexico, for instance, as our prime example is 1.3 million agricultural jobs were lost to NAFTA. Look at the commitments, look at the promises by the past administration, by this administration, and what we have done is increased immigration across the borders. Some of our friends are talking out of both sides of their mouths.

The gap between the rich and the poor will increase. The redistribution of wealth upward will be exacerbated here in the United States under CAFTA, because more family wage jobs will be sent overseas, replaced by low-wage, Wal-Mart-type service jobs. Get it?

Those who ignore history are doomed to repeat it. If CAFTA passes, doom will be the operative function of this Congress.

MYTHS AND FACTS ON REPUBLICAN MEDICAL MALPRACTICE LEGISLATION
(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

Ms. SOLIS. Mr. Speaker, I would like to debunk a couple of myths that we will probably hear today driving the debate over medical malpractice, H.R. 5.

Myth number 1: There is an explosion of malpractice lawsuits that are driving up premiums. Not true. A study by Kaiser Family Foundation found that lawsuits are not the cause of doctors’ high premiums. In fact, another recent study found that insurers increased their premiums while claims went down.

Myth number 2: Malpractice lawsuits are the cause of rising health care costs. Not true. According to the CBO, malpractice costs amount to less than 2 percent of overall health care spending. Thus, even a reduction of 25 to 30 percent in malpractice costs would lower health care costs by a minuscule 5 percent.

Myth number 3: The malpractice bill is about weeding out frivolous lawsuits. Not true. The proposed limits on damages would apply to all cases, no matter what. Not true. The proposed limits on damages would apply to all cases, no matter what. Not true.

damages would apply to all cases, no

Mr. Speaker, last month a few congressional Republicans unveiled a Social Security privatization plan that cuts guaranteed Social Security benefits and continues to raid the Social Security Trust Fund.

The Republican majority’s Social Security plan includes a privatization tax that would cut guaranteed benefits for the people with the lowest incomes. This effectively replaces part of our guaranteed benefit with a private account and leaves us worse off, depending on the whims of the stock market. And anybody who has had stock during the last 2 years knows what that is.

Then, instead of raiding the Social Security Trust Fund, the Republican majority plans to take money out of the trust fund to pay for private accounts. The same congressional Republicans will raid $670 billion more from the Social Security Trust Fund to pay for tax breaks for the wealthy.

Mr. Speaker, we cannot continue this same type of abuse. We urge all of the Members to look twice at Social Security and save it for the people.

INSURANCE COMPANIES RESPONSIBLE FOR HUGE MALPRACTICE INSURANCE PROFITS, NOT INJURED PATIENTS
(Mrs. CHRISTENSEN asked and was given permission to address the House for 1 minute.)

Mrs. CHRISTENSEN. Mr. Speaker, today the House will vote on legislation Republicans claim will help doctors and help reduce the cost of health care. As a family doctor, I know their rhetoric could not be further from the truth.

Republicans say that capping what an injured patient can receive in compensation will cure all of our health care woes, but they ignore one essential fact, that it is the insurance industry, not payments to patients, that is chasing doctors out of their offices.

A report released in May shows that the 15 leading malpractice insurers increased their premiums on doctors by 120 percent. No surprise there. What is surprising is that the insurance companies’ own documents show that payouts over this same period stayed flat, increasing by less than 6 percent, and some companies’ payouts went down.

This just confirms what every reliable study has shown: There is no explosion of malpractice claims or payouts. They are not the cause of rising premiums. It appears insurance rates are the major problem.

The Republicans refuse to talk about insurance reform. There is not one word in H.R. 5 about the insurance industry. Rather than really addressing the problem, Republicans would rather limit the rights of injured patients.

Vote “no” on H.R. 5.

SPECIAL PROSECUTOR WIDENS INVESTIGATION INTO CIA AGENT IDENTITY SCANDAL
(Mr. PELLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLON. Mr. Speaker, for 2 years now, the White House has engaged in a cover-up of who leaked the identity of an undercover CIA agent. Two years ago, President Bush said he wanted to know who had leaked Valerie Plame’s identity to reporters, and he said whoever it was would be fired.

Today we learned the special prosecutor has widened his investigation to include any laws which were broken. The White House tried to discredit allegations that President Bush used faulty intelligence to justify the Iraq war.

Now, this entire investigation centers around national security, White House officials jeopardized our national security when they ousted a CIA agent’s name. They also jeopardized our national security when they tried to discredit anyone who did not support their faulty intelligence that took us to war in Iraq.

Mr. Speaker, this investigation should never have been needed in the first place. If the President’s words had meant something, this would have been completed a long time ago.

KEEPING AMERICAN IDEALS ALIVE THROUGH CAPTA
(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, 20 years ago, the Caribbean and Central America were inflamed with a virus that we called communism. It was in its ascendency. Thanks to the courageous vision and leadership of President Ronald Reagan and many on both sides of the aisle in this Congress, the people of the United States of America invested in democracy.

Now, 20 years hence, we see fledgling democracies, even democracies that have sent soldiers to stand with our soldiers in Operation Iraqi Freedom. It is that nightmare turned into a dream of democracy that is at stake today in the vote on the Central American Free Trade Agreement.

Having stood with those who stood for freedom 20 years ago, let us not in this Congress and in this Nation turn our backs today on those same fledgling democracies that are embracing our principles of free market economics and freedom. Say yes to freedom in
Central America. Vote “yes” on CAPTA, and keep the dream of ever-expanding democracy and American ideals in our hemisphere alive.

ENERGY BILL IS SUBSIDY FEST
(Mr. DeFAZIO asked and was given permission to address the House for 1 minute.)
Mr. DeFAZIO. Mr. Speaker, the Wall Street Journal yesterday: It is bad enough that the energy bill has become a subsidy fest that will raise gasoline prices in more places than it reduces them, and they go on from there.
The so-called energy policy to be adopted tomorrow will raise prices at the pump for American consumers, it will increase our dependence, and this is from the Bush administration’s own projections over the next 20 years on foreign oil, on Saudi Arabia and those other wonderful folks in the Middle East.
It will do nothing to mandate increases in fuel efficiency so American consumers will have better choices. It will not fund any significant amount of money for alternative fuel research or alternative technologies, or transitional technologies to move us to energy self-sufficiency.
Finally, guess what? We are going to write the American people a bill for this piece of work. The American people are going to be asked to borrow $15 billion and give it as a gift to the suffering oil, gas, and coal industry, those who have cash reserves that exceed the subsidy that they are about to get.

SMALL BUSINESSES NEED HEALTH COVERAGE
(Ms. FOXX asked and was given permission to address the House for 1 minute.)
Ms. FOXX. Mr. Speaker, I rise to applaud the House for passing H.R. 525, the Small Business Health Fairness Act of 2005 yesterday, which will help provide better access to health care coverage for small businesses.
Small businesses and self-employed citizens have long been an integral and valuable part of the American economy. We should assist in their growth and improvement in whatever ways we can.
The primary achievement of this bill will be the establishment of certified Federal Association Health Plans, or AHPs. AHPs will increase small business bargaining power with health care providers and allow them to offer the kind of health care coverage that big business has long been able to provide.
Second, AHPs will give employers freedom from costly State-mandated benefit packages. Taken together, these features of the new AHPs will enlarge the number of insured Americans up to 8 million people.
As Republicans, we are working to increase the number of insured Americans, since as many as one in seven Americans is uninsured. Moreover, the most recent U.S. census statistics show that increases in the number of uninsured employees comes solely from declining coverage in the small business sector.
The Small Business Health Fairness Act is a strong step in the right direction, and I am pleased to have passed it.

CAFTA WILL CAUSE LOSS OF MANUFACTURING JOBS IN THE UNITED STATES
(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)
Mr. GENE GREEN of Texas. Mr. Speaker, the House of Representatives today or tonight will vote on ratifying the Central American-Dominican Republic Free Trade Agreement, also known as CAFTA. This treaty will follow earlier free trade agreements. These agreements caused the poor in all countries to do worse and the wealthy and the rich to do better.
I have traveled, not as a Member of Congress, in a lot of these other countries, particularly Costa Rica, which is a beautiful country with great and friendly people. This CAFTA follows NAFTA and will cause loss of jobs in manufacturing in our country as well as the CAFTA-DR countries, just like it hurt the average folks in Mexico and in our own country.
This CAFTA is not a dream, as it is called; it is really going to be a nightmare if you are a blue-collar worker in our country or in one of these countries.

HEALTH CARE WEEK
(Mr. GINGREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)
Mr. GINGREY. Mr. Speaker, I rise today in honor of Health Care Week.
Access to affordable health care is one of the most pressing issues facing America today. I applaud our leadership for bringing important legislation to the floor this week that will strengthen access to care for all Americans.
Mr. Speaker, there is no one-size-fits-all solution for America’s health care needs. Instead, we must give our citizens the access and ability to choose from a range of options.
This week we are voting on legislation to help small businesses provide their workers with affordable health insurance. We are voting on legislation that limits the frivolous medical malpractice lawsuits that are driving doctors out of practice and making it harder for Americans to find care. We are voting on legislation to improve patient safety and a resolution pledging our support for the community health centers that so many rely on for their care.
Mr. Speaker, all of these initiatives speak volumes to the importance congressional Republicans have placed on health care. For us, every week is Health Care Week, and I am proud of our accomplishments on this important issue.

CAFTA WILL ENSLAVE THE CHILDREN OF CENTRAL AMERICA
(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)
Ms. JACKSON-LEE of Texas. Mr. Speaker, CAFTA or NAFTA? Most of the American people are confused about this debate on the floor of the House, and I say to my colleagues who will engage in a very limited debate somewhere toward midnight that this may be one of the more challenging votes of this Congress. It is a vote that calls upon your conscience, and I will simply say these few words: Once we vote for CAFTA, we will reinforce the child labor standards and laws and lack of laws in Central America. You will be sending the 3-year-olds, the 4-year-olds, the 5-year-olds into the hard labor of picking agricultural products with no supervision and no regulations whatsoever.
My heart, my conscience refuses to allow me to vote for CAFTA, a free trade bill that will enslave the children of Central America. I will vote a resounding “no,” and I ask my corporate leaders in America to stand alongside of those of us who want the kind of trade bill that addresses the child slavery in Central America, forcing girls and boys to work without any, without any, hope and aspirations and the ability to survive.
Vote “no” on CAFTA.

THE HEALTH ACT, COMMON SENSE REFORM
(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)
Mr. WILSON of South Carolina. Mr. Speaker, as insurance premiums continue to rise, doctors, hospitals and other health care providers across the country have been forced to severely limit their practices or close their doors. Until we address this issue with commonsense reforms, many doctors will be unable to afford to serve their communities, and patients will find it increasingly difficult to obtain needed health care.
Today, thanks to the strong leadership of my colleague, the gentleman from Georgia (Mr. GINGREY), Congress has the unique opportunity to address the medical liability crisis occurring throughout our Nation.
The HEALTH Act of 2005 safeguards patients’ rights to care through commonsense reforms. First, it promotes the speedy resolution of claims and fairly allocates damages. Second, the
CAFTA GOOD FOR WORKERS AND CONSUMERS OVER THE LONG RUN

We have all dealt with the pain of local factories shutting down and businesses closing, and it is tragic whenever it happens. But the fact is that even without free trade, businesses close. Free trade makes sure we have a flow of capital and jobs coming into the Nation.

So should we compete in the global economy or let it pass by? I think we should compete. I choose more and better jobs for our constituents. And, Mr. Speaker, this is also a matter of national security. Vote for CAFTA.

CAPTA

The CAPTA region, a region that has suffered under the heels of civil war and political corruption for far too long.

With expanded trade, the people of the Central American region will enjoy a higher standard of living and greatly improved work conditions. In the 1980s, Congress cast difficult votes to militarily assist these nations to foster fledgling democracies. Today, these efforts have proven successful, and we are willing to expand our trade opportunities.

Mr. Speaker, I urge my colleagues to support this critical politically stabilizing act.
S. 47. An act to provide for the exchange of certain Federal land in the Santa Fe National Forest and certain non-Federal land in the Pecos National Historical Park in the State of New Mexico, and for other purposes.

S. 52. An act to direct the Secretary of the Interior to convey a parcel of real property to Beaver County, Utah.

S. 54. An act to amend the National Trails System Act to require the Secretary of the Interior to update the feasibility and suitability of national historic trails, and for other purposes.

S. 55. An act to adjust the boundary of Rocky Mountain National Park in the State of Colorado.

S. 56. An act to establish the Rio Grande Natural Area in the State of Colorado, and for other purposes.

S. 97. An act to provide for the sale of bentonite in Big Horn County, Wyoming.

S. 101. An act to convey to the town of Frannie, Wyoming, certain land withdrawn by the Commissioner of Reclamation.

S. 128. An act to designate certain public land in Humboldt, Del Norte, Mendocino, Lake, and Napa Counties in the State of California as wilderness, to designate certain segments of the Black Butte River in Mendocino County, California as a wild or scenic river, and for other purposes.

S. 136. An act to authorize the Secretary of the Interior to provide supplemental funding and to enter into contracts or agreements necessary to assist certain local school districts in the State of California in providing educational services for students attending schools located within Yosemite National Park, to authorize the Secretary of the Interior to adjust the boundaries of the Golden Gate National Recreation Area, to adjust the boundaries of Nevada National Park, and for other purposes.

S. 152. An act to authorize the Secretary of the Interior to provide, through a contract, necessary two-thirds vote to pass under suspension of the rules.

Mr. Speaker, I rise today in support of this resolution. The SPEAKER pro tempore (Mr. PUTNAM) is recognized for 1 hour.

Mr. Speaker, by directive of the Committee on Rules, I call up House Resolution 387 and ask for its immediate consideration.

The Clerk recites the resolution, as follows:

H. RES. 387

Resolved. That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider the bill pending before the Committee on Ways and Means that would authorize additional resources to enforce United States trade rights. The bill shall be considered as read. The amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. BONILLA). The gentleman from Florida (Mr. PUTNAM) is recognized for 1 hour.

Mr. PUTNAM. Mr. Speaker, the purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. McGovern), pending which I yield myself such time as I may consume. Do you wish consideration of this resolution? All time yielded is for the purpose of debate only.

Mr. PUTNAM asked and was given permission to revise and extend his remarks.

Mr. PUTNAM. Mr. Speaker, House Resolution 387 is a closed rule that provides 1 hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill and provides that the amendment in the nature of a substitute printed in the Committee on Rules report accompanying the resolution shall be considered as adopted. H. Res. 387 also provides one motion to recommit.

Mr. Speaker, I rise today in support of this rule and the underlying bill, H.R. 3283, the United States Trade Rights Enforcement Act. The legislation passed the House of Representatives yesterday by a majority vote of 240 to 186, but did not garner the necessary two-thirds vote to pass under suspension of the rules.

Over the past 25 years, U.S.-China trade has risen from $5 billion to $231 billion. We and China now our third largest trading partner. In 2001, China joined the World Trade Organization by notifying the WTO they had formally ratified the WTO agreements. However, a report released in December of 2004 by the U.S. Trade Representative stated that while China has tried hard to comply with its WTO commitments, they have not always been satisfactory.

PROVIDING FOR CONSIDERATION OF H.R. 3283, UNITED STATES TRADE RIGHTS ENFORCEMENT ACT

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Major areas of concern identified in the report included intellectual property rights, agricultural services, industrial policies, trading rights and distribution, and transparency of trade laws. This legislation addresses these concerns by creating concrete mechanisms to ensure that China abides by its previous commitments and that we renew our efforts to level the playing field for American manufacturers competing against subsidized Chinese goods.

Specifically, the bill would establish a monitoring system to track China's compliance with its trade obligations on intellectual property rights, market access for U.S. goods, services, and agriculture, and accounting for Chinese subsidies so that we open it up and have that transparency that has been lacking to date. The system would require that the President issue semi-annual reports to Congress on China's progress in meeting these commitments.

Mr. Speaker, our domestic goods manufacturers are currently at a disadvantage because they are forced to compete with imported goods subsidized by foreign governments or public entities that can be sold at lower prices. H.R. 3283 would apply U.S. countervailing duty law to exports from nonmarket economies, such as China, to give manufacturers the tools they need here in America to compete with nonmarket economies in those countries.

The bill also tightens the rules on antidumping duties by requiring cash deposits, and suspending for 3 years the availability of bonds for new shippers in antidumping cases in order to prevent those shippers from defaulting on their obligations.

H.R. 3283 increases funding for the U.S. Trade Representative to improve the monitoring and enforcement of U.S. trade agreements, something that we hear about an awful lot on this floor, the lack of enforcement of prior trade agreements. This directs the trade representative to make that a priority.

The bill also authorizes funding for the U.S. International Trade Commission and requires the commission to conduct a comprehensive study on the sensitivity of U.S. trade and jobs to current policies.

Mr. Speaker, in today's global marketplace, it is vital that trade obligations are enforced to ensure that our manufacturers and producers are allowed to fairly compete in our markets here at home and those abroad. I urge my colleagues to support this rule and support the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I want to thank my friend, the gentleman from Florida (Mr. PUTNAM), for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, yesterday, the House decided that this time it would not accept the practice of approving bills that materialize out of nowhere. This time, the House decided it wanted a real debate on China's unfair trade practices and how best to remedy them.

So the House did not approve the two-thirds majority needed for passage under suspension of H.R. 3283, a bill that has never gone before committee, never had a hearing, never had the benefit of expert testimony, never had a markup, and has never been open to amendment. Instead, this House demanded that the bill be taken up under regular procedure. That is why we are here today. But even under regular order, the Republican majority has done all it can to stifle debate.

Last night the Republican majority on the Rules Committee reported out a closed rule for H.R. 3283, a closed rule that only allows for 1 hour of debate and no amendments; well, except for the one amendment offered by the back room author of this bill in the first place, the gentleman from California (Mr. THOMAS), the distinguished chairman of the Committee on Ways and Means.

Last night the Committee on Rules heard testimony on three amendments that would seriously address some of the major challenges facing U.S. trade with China in the 21st century economy nations. First, there was the amendment modeled on the bipartisan bill originally introduced by the gentleman from Ohio (Mr. RYAN), the gentleman from California (Mr. HUNTER) and the gentleman from Alabama (Mr. DAVIS). This amendment might actually provide needed remedies to tackling China's currency manipulation.

Then there was a amendment offered by the distinguished ranking member of the Committee on Ways and Means, the gentleman from New York (Mr. RANGEL), a comprehensive amendment that addresses the real problems facing America in its trade with China, currency manipulation, export surges, barriers to U.S. export of goods and services, and the right of American private sector companies and workers to challenge China's agricultural and manufacturing subsidies.

Finally, there was an amendment offered by the gentleman from Maryland (Mr. CUMMINGS) that would have shut down the loopholes in the countervailing duties in the Thomas bill. Each of these concrete proposals presented to the Committee on Rules last night deserve debate, and would significantly add to the real underlying do-nothing legislation. But the Republican leadership shut them out and shut down debate.

Sadly, Mr. Speaker, the Committee on Rules has become a place where democracy comes to die. Heaven forbid that this House might take up amendments addressing the real issue surrounding China's unfair trade practices and provide genuine remedies. Heaven forbid that this House might actually have a real debate on these matters, and heaven forbid that the Republican majority might actually allow votes on these serious unfair trade practices.

What is the majority afraid of, a straight up-or-down vote?

Mr. Speaker, I have sat in this Chamber and heard over and over Members on the other side of the aisle give 1-minute speeches demanding that the Senate have up-or-down votes on domestic nominations. But if up-or-down votes are good for the Senate, why are they not good for the House of Representatives?

This House has had enough time this week to provide 40 minutes of debate each to the naming of half a dozen post offices, but we do not have enough time or interest to give the Ryan-Hunter-Davis amendment 10 or 15 minutes, or the courtesy to give the ranking member of the Committee on Ways and Means 10 or 15 minutes to offer a substitute amendment.

The Chinese Government must be laughing with glee at the Republican leadership's blatant abuse of power in their lock-step rejection of democratic debate. Instead, we are forced to settle for the Thomas bill that fails to offer solutions and fails to take action. Instead, it calls for more reports, more studies and more dialogue. In fact, when the Thomas bill does take action, it actually opens up more loopholes for China to exploit, more ways for China to hide its subsidies, and more opportunities for China to manipulate and falsify its trade and economic data.

Mr. Speaker, standing up for American businesses and workers against America's unfair trade practices should be one of our top trade priorities. The growth of China's economy and its trade with the rest of the world is one of the most significant developments of the 21st century, and the Bush administration and the Republican leadership of this House have no effective policy for dealing with it.

Last year the U.S. trade gap with China was $162 billion. This year it is expected to climb to $225 billion. And China continues to engage in unfair trade practices, with billions lost to Chinese piracy of U.S. intellectual property, Chinese subsidies for its manufacturers, and Chinese currency manipulation harming U.S. exports.

I urge my colleagues to oppose this rule and let this House debate the thoughtful, meaningful amendments that have been offered. That is how democracy is supposed to work.

Mr. Speaker, I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, I yield myself such time as I may consume.

One of the items that the gentleman from Massachusetts (Mr. MCGOVERN) mentioned that I agree wholeheartedly with is the rise of China is one of the most significant developments of the 21st century, and that is why it is so critically important that we make sure that the trade agreements that exist
between our country and theirs are enforced and monitored. That is what this bill does.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. Rogers), a man from a heavy industry and manufacturing background, who understands well the challenges imposed by the lack of enforcement of these agreements.

Mr. ROGERS of Michigan. Mr. Speaker, George Washington in his Farewell Address warned of some of the problems that would be created with two strong party systems, and today I see it. It is unfortunate that my colleagues would spend so much of their time both yesterday and today debating about how they did not have time to debate the issue that is so important.

This bill for the first time will change trade policy toward somebody like China, who is cheating our economy and stealing our jobs. We have the ability to make a statement, to stand up for every worker in America who gets up, plays by the rules, goes to work and tries to build the best products in the world, and they do. Given a level playing field, we will compete with any Nation on the face of the Earth. Our workers are that good. You should have the faith and confidence in them to stand up today and say, we are going to help you by leveling the playing field.

Trade is important. It is the engine of prosperity. Commerce is our best diplomat, and today we send that very clear message to places like China that are cheating. It is amazing, and I want to talk just a minute about counterfeit goods, because in this bill for the first time we say you have to have a trade enforcement officer who gets up in the morning, and her whole job for the whole day is going to make sure that countries like China are living up to their BTOAs. If there are no agreements and agreements and the rule of law, the protection of intellectual property.

Mr. Speaker, 750,000 jobs are lost every year to counterfeit products, mainly from China. This product right here, you cannot tell the difference in these two products except what is on the inside. This product steals one job. It steals the opportunity for a company here to compete. It takes tax revenues away from us. This is our chance to give our workers the ability to do this. But is not just about an oil filter. This puts our jobs at risk, cheats our economy and puts Americans at risk. The FAA estimates that 2 percent of all airline parts are counterfeit.

Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Ms. Slaughter), the ranking member of the Committee on Rules.

Ms. Slaughter. Mr. Speaker, I rise in strong opposition to the rule before us this morning because, as was pointed out yesterday, the Republican leadership, in a clear attempt to circumvent the democratic process, tried to sneak the United States Trade Rights Enforcement Act through the House under suspension of the House rules.

Now, suspension rules are supposed to be reserved for noncontroversial measures. They are most often employed for renaming post offices and honoring sports teams, but not for bills which attempt to alter America’s trade policy. But this leadership wanted to force this bill through the House without a fair hearing, without the appropriate debate, and without any opportunity for amendment or improvement.

Fortunately for all Americans, that plot failed, and the measure was defeated on the floor. But to no one’s surprise, they are back at it again this morning. The leadership once more has shut the door on the delivery of democracy by providing just 1 hour of debate on a measure. Importantly, on a party-line vote, the Republicans voted to prevent any amendment by any Member of Congress from even being considered on the House floor today which would strengthen this bill.

The bill in this case is CAFTA, the Central American Free Trade Agreement. This bill is merely a public relations effort, and it is part of a last-ditch attempt to pick up votes for CAFTA which will come up later today, nothing but nothing.

It has no teeth, and that is exactly how the majority wants it: Long on rhetoric and short on substance. Even though it is called the United States Trade Rights Enforcement Act, the bill is little more than a handout to countries that are cheating. It is amazing, and I want to talk about this case with Commerce Secretary Gutierrez, and have yet to even hear back from him.

I want Members to understand that the unfair trade practices are going on because this administration will not stop them. They want all 435 Members of the House to accept the leadership’s version of the bill; no changes, no arguments, no additions, no recommendations for improvement, just yes or no. This is like being given an opportunity to vote in an election with only one candidate on the ballot. It is a stretch to call that democracy.

The question is what is the House leadership afraid of? They do not want the membership of the body to have an opportunity to offer your amendments, by the way, you cannot have an amendment or improvement.

We are sending a great message to the world that the United States through Korea and Mexico will protect its trade obligations. Our problem with China is unfair trade practices. This is a very serious issue that is the leadership is trivializing as a protection for a vote for CAFTA. But real American jobs are hanging in the balance, and a perfect example of this can be found in Buffalo, New York.

After 100 years of business, the Buffalo Color Company, the last domestic producer of indigo dye used to make blue jeans, is in the final throes, to quote the vice president, of bankruptcy. Buffalo Color is the victim, and it has already been adjudicated, of illegal Chinese dumping of indigo dye on the U.S. market. We have been asking for help from the administration to stop the Chinese companies from circumventing our trade laws by shipping their cheap dye to the United States through Korea and Mexico. I have tried repeatedly to personally discuss this case with Commerce Secretary Gutierrez, and have yet to even hear back from him.

I want Members to understand that the unfair trade practices are going on because this administration will not stop them. They have not.

The bill I am discussing is the Trade Rights Enforcement Act, the bill that we are considering on the House floor, and it is nothing more.
a letter. We have called, we have written, we have issued press releases, but we cannot get the Bush Commerce Department to lift one finger to save an iconic American industry from annihilation at the hands of Chinese price dumping, which is already illegal.

This is that, much like the Bush administration, this bill will do nothing to help Buffalo Color Company or its employees. As a result, the only remaining producer of the dye for blue jeans, a powerful American icon, will be driven out of business. We have managed to find time this week to pass the first comprehensive postal reform in years. There is the strong likelihood of at least a couple of appropriations conference reports; the Central American Free Trade Agreement; a highway conference report; an energy conference report; and a bill to get strict with China about enforcing our trade agreements.

The gentleman from New York is correct; this bill was up for a vote yesterday or the suspension calendar. Under House rules it requires a two-thirds vote to be passed. It garnered 240 votes, shy of two-thirds, but a clear bipartisan majority. I appreciate them they agreed to come back today with a bipartisan majority. I am thankful to our leadership that they leveraged on CAFTA, which, quite frankly, is a little tiny peanut compared to a great big elephant when we are talking about China, very important in Central America, very important to those democracies, important to a few people in our country and certain trading agreements, but just a little tiny trade thing, and China is a huge trade thing, but they will not talk to me or others about China, either party, unless you leverage your votes when it becomes a critical time.

China, as I talked to the DCI a few weeks ago, says, we are not going to reevaluate. The pressure was so great out of Congress on the markets and manipulation that they made a small concession. They need to make more.

The plain truth is that for all my criticism of China, they have been helping to prop up our currency. As Arab countries back out of our currency and move to the indigenous, because of our support for Israel and other elements in the Middle East, China has helped prop it up. If they suddenly float it, it is uncertain what would happen to our economy from interest rates and inflation, but they need to reevaluate. American industry cannot compete with environmental standards, clean air, clean water, parental leave, the minimum wage, ADA and all this type of stuff, then add to that a currency manipulation of 20 to 80 percent. We cannot compete, a matter of putting tariffs up and us asking for trade advantages. We cannot compete when other people cheat.

Now, we appreciate the Chinese Government moving 2 percent. They need to move faster. This bill gives us a tool.

It was shocking to me last night when this bill went down. It should have been a unanimous vote. Yes, there was not normal participation. Normal participation going through the Ways and Means Committee means it would have been buried so deep, we would not have even seen the letters with the H.R. on it. It would not have ever come out to the House floor. It took leverage to come out. It is not a perfect bill, but we had a bill. Quite frankly, when I first saw that bill go down last night, I thought the China lobby won again, the China lobby on our side that wanted to bury it and the China lobby on the other side that wanted to bury it. I was thankful to see that they agreed to come back today with a rule so we could pass it with a clear bipartisan majority. I appreciate them
moving forth. I believe this incrementally, and that is politics. It is not some dramatic speech. It is not denouncing China. It is actually making incremental policy changes. We just got the double. With this bill and the currency reevaluation, we have made the first move with China that we have had in years. I think we should be commended, and I think we should try to get a unanimous vote after the politics are done.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Let me just say to the gentleman from Indiana that I share his anguish over the process. I share his frustration over the fact that many of us, we want to have more of a policy debate here. I would suggest to the gentleman from Indiana that I share his anguish myself such time as I may consume. The process is supposed to work. This is the gentleman on the other side of the aisle, for whom I have a great deal of respect, from New Jersey who is hanging his hat on the fig leaf that has been ingested. Application of U.S. countervailing duty law to exports from nonmarket economies is more than an empty gesture: $6 million per year in additional money to USTR beyond the President's request, up to $45 million and earmarked for the General Counsel, Office of Monitoring and Compliance; the suspension for 3 years of bonding authority; increased teeth, increased enforcement, increased compliance to make the Chinese follow the law and agreements that we have already signed and agreed to.

Mr. Speaker, I yield 3½ minutes to the gentleman from Pennsylvania (Mr. ENGLISH), the sponsor of this legislation, and someone who has worked for years very diligently on all the issues relating to China.

China continues its piracy of U.S. goods and products unabated. Unabated. Many factories in China still utilize child and prison labor. We cannot even get in to see what is going on in those factories. Human rights abuses continue to be a problem in China. People from both sides of the aisle have stated on the record what those abuses are. They are not hidden. They are exposed. Yet God knows what they do not know.

Mr. Speaker, I yield myself such time as I may consume. Let me just say to the gentleman from Florida that just to make it clear that one of the reasons why so many of us voted against this bill yesterday, one is because it does not have any teeth in it. That does mean it does not have reports; reports and dialogue, and that is it. We have had enough of that. We wanted something that had some teeth in it, that was actually going to send China the message we want to be sending.

But we also objected to the fact that this bill has never gone before a committee, never had a hearing, never had the benefit of expert testimony, never had any discussion, never been open to amendment. That is not the way this process is supposed to work. This is supposed to be a deliberative body. Flawed legislation like this can be made better. At least we should be given the chance to let the majority in this House work its will.

Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, the gig is up on both sides of the aisle, regardless of how trade bills, and this is trade day, I guess, on the floor of the House. Regardless of how these bills go up or down, the American public knows who is exposing and who is extending and who is sending jobs overseas. Both parties. We have had two administrations now that have given the store away, one Democrat and one Republican administration, and you come on this floor and want us to believe that you are going to pass this legislation and teach China a lesson.

I rise, and I rise to oppose this fig leaf, which is pathetic. The majority is using this fig leaf to cover the growing crisis of our trade relationship with China years after the horse is out of the barn. China is obviously not playing by the rules. You tell me whether they are or they are not. The American people want to know where you stand. They want to know in your district whether you agree to do this bill with Democrat and Republican. The resulting imbalance is destroying family wage production jobs here in this United States. This bill does not contain the answers. It should be defeated again. It should be considered on this floor to buy a few votes is an embarrassment to the House of Representatives.

Let us look at the facts. Let us look at the data. Our trade deficit with China is rapidly growing. It reached $162 billion last year. It was $16 billion in the month of May alone. China is buying huge chunks of our nation's growing debt. Do you know how much debt China owns of ours? Is that not embarrassing?

Human rights abuses continue to be a problem in China. People from both sides of the aisle have stated on the record what those abuses are. They are not hidden. They are exposed. Yet God knows what they do not know.

China has only made a minor change in disconnecting its currency from the dollar. Another fig leaf. It is on the front page of the Financial Times and the Wall Street Journal and the New York Times. Who are those trade people kidding? They are not kidding the American people at all. Our Nation is as concerned as I am about the problems of China trade to vote for this rule and trial for this bill. This bill should be allowed to move forward today. It got 240 votes yesterday, and I thank all of those involved who have made it possible.

Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. ENGLISH). Mr. Speaker, I thank the gentleman for yielding me this time.

Let me say I do not look particularly becoming in a fig leaf; and the gentleman from New Jersey, who is hanging his hat on the fig leaf that has been introduced by the other side, which is not taken seriously by anyone, does not look particularly becoming hanging back behind that either.

I would urge everyone who in this Chamber is as concerned as I am about the problems of China trade to vote for this rule and trial for this bill. This bill should be allowed to move forward today. It got 240 votes yesterday, and I thank all of those involved who have made it possible.

This, I believe, is the key trade vote of the year. And contrary to the propaganda we have heard from elsewhere, it is not largely symbolic. Yet yesterday, over 270 of our colleagues from the other side of the aisle voted "no." Let me tell the Members what the significance was of their vote. They voted against extending countervailing duties to China and other nonmarket economies that we regularly apply to other market countries that we trade with.

They voted against closing the bond loophole under antidumping. They voted against a comprehensive audit system for China, how they follow their trade obligations. They voted against authorizing new funds for trade cops. They also voted against clarifying Congress's opposition to efforts to water down our domestic trade law protections in the current WTO rules negotiations.
Mr. PASCRELL. Mr. Speaker. I thank the gentleman for yielding me this time.

Mr. Speaker, I am very disturbed that the gentleman from Pennsylvania, the last speaker, has introduced participation in that. It chastised both administration Democrats and Republicans, as giving away the kitchen sink. We gave it away. We gave it away in the Free China deal. We gave up article 1, section 8 of the Constitution, what we learn in the eighth grade: commerce clause, copyrights. So this legislation for action against China in regards to their infringement of intellectual property. My friends talk about the textile issues and the flooding of the market after the quotas were finished. We have certain actions. The gentleman from Pennsylvania introduced originally legislation. This bill that mysteriously came out of nowhere out of the Committee on Ways and Means, the bill. This is the bill that the gentleman from Pennsylvania for being the author of the minority, a bill dropped in the same day that we announced the consensus we had was not enough. Offering a fig leaf alternative, a bill dropped in the same day that we announced the consensus we had was not enough. The truth was blurted out, may I tell the Members, Mr. Speaker, today in The Hill magazine in which it quoted a spokesman for the Committee on Ways and Means Democrats as saying: The minority said we are going to move 

Mr. MCGOVERN. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN), the ranking member on the subcommittee. Mr. CARDIN. Mr. Speaker, as I listen to my Republican colleagues talk about this rule, I understand why the Republican leadership is bringing forward a closed rule, because if we had an open process, with the full committee, with a very good bill that would do something about enforcing our laws against China, I listened to the gentleman from Pennsylvania (Mr. ENGLISH) talk about this being the key trade vote of the year, and I think we should understand that the Committee on Rules is responsible to make sure that we have a fair and open debate by the manner in which they propose rules. There has never been an opportunity to offer a single amendment to this bill anywhere along the process, whether in the subcommittee, the full committee, or here on the floor.

Mr. Speaker, I understand that Trade Promotion Authority gives the right of the administration to submit a trade-negotiated bill to the Congress after consultation and after a mock markup on an up-or-down vote. I just did not know that we had given the Republican leadership the right to bring out any bill they wanted to with an up-or-down vote without having democracy work. That is what this rule represents, and it is shameful.

The gentleman from Pennsylvania (Mr. ENGLISH) talks about the tradi-

Mr. Speaker, I yield myself such time as I may consume. The gentleman from Florida just commended the gentleman from Pennsylvania for being the author of the bill. That the gentleman from Pennsylvania introduced and then, mysteriously, this is the bill that came out of nowhere out of the Committee on Ways and Means, no hearings, no markup, nothing. So we are talking about two different pieces of legislation. This bill that mysteriously has appeared before us weakens the countervailing duty section. It makes this bill that the gentleman from Pennsylvania introduced originally worse. So that is what we are concerned about. Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey (Mr. PASCRELL).
Mr. SHAW. Mr. Speaker, reclaiming my time, I would say to the gentleman that we do not waive any of those rights in the bill that is before the House today.

Mr. MCGOVERN. Mr. Speaker, I yield myself some time as I may consume.

Mr. Speaker, I am a little perplexed here. The gentleman from Florida talks about Democrats offering all kinds of amendments and discussing all kinds of things if we had an open rule. Well, that is called debate. We do that here. At least we are supposed to do that here. We have not been doing it lately. And I should also add that we are not here calling for an open rule. We are asking for right now that they give us at least three amendments.

Three thoughtful amendments have been offered, that is it. There are not thousands of amendments, three; and we cannot even discuss those. We cannot have an up-or-down vote on it. My colleagues talk about how the Senate should vote up or down on judicial nominees. Why can we not up or down on these thoughtful amendments? We are being denied that.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN). Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Because the Central American Free Trade Agreement cannot pass on its merits, its supporters are attempting a last-minute bid to win desperately needed votes later this evening, probably very late this evening, on the Central American Free Trade Agreement.

This bill before us purports to address the imbalanced trade relationship with China. We all know it will not do that. But what it is is just another cynical attempt to buy what is very well documented in this Nation’s pro-free trade media, very well documented in the media; this is just another cynical attempt to buy votes on CAFTA, among other cynical attempts to buy votes on CAFTA. This fails, as the gentleman from Maryland (Mr. CARDIN) said, as the gentleman from New Jersey (Mr. PASCRELL) said, and as the gentleman from Massachusetts (Mr. MCGOVERN) said, fails to effectively address remedies for our trade deficit with China; the destruction of our good jobs, and we know how many jobs we have lost; hundreds and hundreds and hundreds and hundreds of thousands as a result of China’s trade policy.

Members of Congress should be troubled that this bill has been introduced only in order to push through another trade priority. We should not have to approve a job-killing trade deal with Central America in order to get the chance to vote on a toothless China bill. I will say that again; We should not have to approve a trade deal with Central America in order to get a chance to vote on this toothless China bill.

Are there no assurances even that the Senate has plans to consider this half measure, and it is surely unlikely to ever become law. Aggressively countering China’s unfair trade practices should be a top trade priority. The gentleman from Michigan (Mr. LEVIN) and the gentleman from Pennsylvania (Mr. CARDIN), members of the Committee on Ways and Means, they want it to be, but it should have nothing to do with CAFTA.

Unfortunately, for the past 5 years, the administration has done nothing to curb China’s illegal trade activities. It is always words over action. In the past 5 years, our government has refused to enforce domestic trade laws with regard to China, failed to take advantage of WTO mechanisms to challenge China’s violations of international trade rules, balked at taking any concrete action on China’s manipulation of its currency; what I hear from my manufacturers in Akron, in Lorain, and in Elyria almost every week.

Our government has proposed eliminating funding for China enforcement activities, and our government’s proposal congressional efforts to address China’s unfair trade practices through legislation. This House fails to resolve these problems. Instead of demanding action, it calls for more reports and more studies to tell us what we already know, that China is simply not playing fair.

A toothless bill on China will not make CAFTA any better.

Mr. PUTNAM. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman from Florida for yielding to me at this time.

I will tell my colleagues, if you want to know about defense or intelligence reorganization, education or medical research, I am your guy to tell you what to do. Trade issues is an interest, but I do not know the ins and outs, but I want to speak as someone who is not on the committee that sees it in a little different way.

Mr. Speaker, the vote that we are voting on today, when we talk about amendments, this is the same exact bill that we voted on yesterday in suspension. So the same bill, not amendments, the same bill as yesterday, and we are bringing it up today, we had 246 votes.

China policy. I understand while many of my colleagues on the other side, and some on our side, have difficulty with China, it is a very difficult decision. Is it a billion or a trillion? China is both. They are building Su-30s, a Russian fighter that destroys our best fighters 90 percent of the time, and...
and the Taiwan problem with the subma-rines and the different trade issues.

But I would tell my colleagues that spoke against, both Republican and Democrat Presidents, seven Presidents supported trade with China. Are there some sectors that are lost? Yes. And that is where the admin-istration and Republicans and Demo-crats need to come together to try and help those sectors that have lost jobs, because in other sectors, jobs have in-creased. President Bush, like many Members on the floor, feel that the overall policy is good.

Thirdly, there is no magic bill. If you look at Northern Ireland, you look at the Middle East, look back when Jimmy Carter and President Clinton started peace talks in the Middle East. It takes incrementalism, and it is going to take years of working what other Presidents started to negotiate and to make this sound policy. I do not think it will be totally Spalding, but this is one step, not a magic bill, to make sure that some of those trade agreements are enforced.

That is a good thing; and that is why we are now voting on the same bill that we voted on yesterday. I know my colleagues want amendments, but this is the same bill that 240 people voted for hours ago.

I would remind people that I went to Hanoi, and Pete Peterson, who is a Democrat. He invited us to go to Viet-nam. When I was in Hanoi, to the Min-ister I said, why will you not get in- volved with President Clinton and trade in Vietnam, and he pointed at thousands of bicycles outside his win-dow and he said, Congressman, I am a Communist. He said, if those people have things, I will be out of office. So maybe trade is good as a fight against communism, as one small increment. That is why these small bills that go forward are important. My colleagues who have legitimate concerns, espe-cially in their own districts, and we need to work those things out, but this is an important bill, and I ask my col- leagues to support this rule and the bill.

Mr. LEVIN. Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, at this time I yield 3½ minutes to the gentle-man from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given per-mission to revise and extend his re-marks.)

Mr. LEVIN. Mr. Speaker, quickly on process, we are not asking for an open rule; we are asking for the ability to bring up a substitute and three specific amendments, number one.

Number two, as to the connection with CAFTA, the gentleman from Penn-sylvania (Mr. ENGLISH) was not in favor of CAFTA until there was an agreement to bring up his bill, and then he said he was for CAFTA.

Number three, what you are doing is limiting debate on this and also on CAFTA. We have major trade issues, and you do not want to discuss them.

Here is a reason why we need to have long debate on this issue and on CAPTA. We have been limited to 2 hours on CAFTA. Will all the facts get out? I am afraid not.

For example, there was discussion in the media about commitments that were made by this administration regard-ing pocketings and linings, and I am sure we will get an agreement reached with the CAFTA countries. We need a long time to debate so we can show that things are not true some-times that are said to be true.

I just saw La Nacion in Costa Rica about this alleged agree-ment on textiles, and here is a quote from the Minister, the Trade Minister of Costa Rica. I am quoting: “It is not true that those consultations, that ne-gotiation, has occurred, and it is not at all true that we in Costa Rica and the rest of Central America have sat down yet for that process of consultations.”

So we need a full airing of CAFTA and of the China bill.

Quickly, on the China bill, the gentle-man from Michigan (Mr. STAM) said that the Rangel substitute calls for unilateral sanctions. That is not true. That is simply not true. There is a pro-vision relating to currency allowing an action under 301. If that action is taken, we go to the WTO. So you get up here and say things that are just not correct. That is why we need more time.

The currency thing, I heard another colleague on the Republican side say that is not needed. The Treasury report comes out every 6 months. It is loaded with information, data just coming out of the ears of the Treasury Department. The trouble is, there is never any action. We have in our sub-stitute provisions that say, let us have an avenue for action rather than sim-ply more talk. So we should turn down this rule and, really, this bill.

The gentleman from Pennsylvania (Mr. ENGLISH) does not like the word “unilateral.” I say, maybe that is more polite. It is a smoke screen. It is an effort to say we are doing something when we are really not in order to give some people, I guess, an excuse to vote for another bill.

That will not work. This is such a weak bill. We can do better. We should turn it down and have time to consider the substitute that was put together by the gentleman from New York (Mr. RANGEL) and myself and others.

Mr. PUTNAM. Mr. Speaker, I continue to reserve my time.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

I am going to urge my colleagues to vote “no” on the previous question so that I can amend the rule to allow the House to consider the Rangel sub-stitute. The substitute was offered in the Committee on Rules last night, but it was blocked on a straight party-line vote.

Mr. Speaker, I ask unanimous con-sent to print the text of the amend-ment immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. BONILLA). Is there objection to the re-quest of the gentleman from Massachu-setts?

There was no objection.

Mr. McGOVERN. Mr. Speaker, what-ever the legislation. Members of this legislature, they should vote against the previous question so we can con-sider another and, I believe, a better approach to our trade troubles with China. We have only had a short time to debate this bill, but from what we can tell, H.R. 3238 is a bill that is all bark and no bite. It calls for more re-port and studies, but it does not give American businesses a real tool to fight China’s companies that receive unfair subsidies from the Chinese Gov-ernment.

The Rangel proposal contains a coun-tervailing duty mechanism that Amer-i-can businesses could actually use to fight these unfair trade practices, and, at the very least, the House deserves a debate. We know it is part of an effort to win a few more votes for our trade agreement called DR—CAFTA that even supporters do not particu-larly like. Allowing this House a chance to debate and consider the Rangel proposal to this bill would turn a purely rhetorical exercise into a mean-ingful, badly needed debate about our Nation’s trade relations with China.

Three closed rules were reported from the Committee on Rules last night. That is three major pieces of legislation that have absolutely no op-portunity for amendment or alter-native points of view. That is not how this House should operate. We have a chance to change that right now by voting on the previous question and allowing the Rangel substitute to be part of the legislation.

So vote “no” on the previous ques-tion so we can include this important amendment. I want to make it clear that a no vote will not stop us from considering the legislation, but it will enable us to consider the Rangel sub-stitute.

Finally, Mr. Speaker, I would urge my colleagues not to be fooled. This bill is a toothless response to a very se-rious problem. We know if we do not deal with the Chinese on the other side of the aisle supporting this bill rightly have stated that China is steal-ing our jobs, but this bill and CAFTA later is going to give our jobs away.

Again, vote “no” on the previous question; let us make this flawed bill signifi-cantly better.

Mr. Speaker, I yield back the balance of my time.

Mr. PUTNAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a huge week for the Congress, a big week for the House of Representatives. We are passing out major postal reform for the first time
in years, a highway bill that has been in the making for over 2 Congresses now, an energy conference report that has also been in the making for over 2 Congresses now; the opportunity to have at least one and perhaps as many as three appropriations conference reports before Senate enter the next district work period; and a Central American Free Trade Agreement, as well as a bill that gets tough with China, that finally holds our administrators’ feet and the feet of, either party’s feet to the fire, and requires that they monitor and enforce the existing trade agreements that have been enacted by this Congress.

This bill has been called a smoke screen, it has been called a fig leaf, it has been called a number of demeaning terms. But good work, Speaker. We have debated it now, this is a real worthwhile enforcement tool that gives Members the opportunity to show the folks back home where they are on fair level trade with China.

The application of U.S. countervailing duty law on nonmarket economies is not an empty gesture. A system of comprehensive monitoring of Chinese compliance with their trade obligations on intellectual property rights; market access for our American goods, services, and agriculture; an accounting of the Chinese subsidies; increased transparency so that we know what the government ownership is, we know what they are subsidizing, we know how much. Those are more than fig leaves, Mr. Speaker. It requires reporting by Treasury to define the currency manipulation and to analyze the effect of what the Chinese did with their new exchange rate mechanism at the end of this week. That is not a smoke screen.

A $6 million a year increase above the President’s request, up to almost $45 million a year for the general counsel and of monitoring and compliance. That is not an empty promise. That is a real meaningful resource to improve our ability to track the Chinese subsidy and the potential manipulation of the global marketplace that is out of compliance with our trade agreements.

The suspension for 3 years of the existing trade agreements that have been enacted by this Congress.

The Chinese Government made this commitment it is a real worthwhile enforcement tool. That is not a smoke screen.

I urge the Members to pass the rule and the underlying bill. I urge it. There were 19 Democrats who supported it. There were five Republicans who opposed it. It is a bipartisan effort, bipartisan angst, bipartisan support. I urge the Members to pass the rule and the underlying bill.

The material previously referred to by Mr. McGovern is as follows:

PREVIOUS QUESTION FOR H. RES. 387 H.R. 3283—UNITED STATES TRADE RIGHTS ENFORCEMENT.

In the resolution strike “(2)” and insert the following:

(2) the amendment in the nature of a substitute printed in Section 2 of this resolution if offered by Representative Rangel of New York or a designee, which shall be in order if offered by Representative Rangel of New York or a designee, which shall be ordered to a committee after the following amendment:

SEC. 2. The amendment by Representative Rangel referred to in Section 1 is as follows:

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3283.

OFFERED BY MR. RANGEL OF NEW YORK.

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fair Trade with China Act of 2005”.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) The growth of the economy of the People’s Republic of China is one of the most important developments of the 21st century.

(2) The bilateral trade relationship between the United States and China is heavily imbalanced and is undermining the long-term economic health of the United States.

(3) The United States trade deficit with China has doubled since 2000, reaching $2,500,000,000 in 2004, the largest bilateral trade deficit in the world.

(4) As a consequence of the trade deficit, the United States has had to borrow massive amounts of money from foreign governments.

(5) The United States has accumulated more debt to foreign countries since 2000 than in the first 220 years of the country’s history.

(6) China has become a major purchaser of United States Treasury bonds, and United States taxpayers' investment in the purchase of United States Treasury bonds has grown by more than $100,000,000,000 since 2000.

(7) The large cumulative of United States dollars accumulated by the Government of China contribute to China’s acquisitions of United States companies, such as the proposed acquisition of Unocal Corporation by the China National Offshore Oil Corporation.

(8) China continues to violate many of the commitments it made when it joined the World Trade Organization.

(9) China’s inadequate enforcement of intellectual property rights is resulting in infringement levels of 90 percent or more for many forms of intellectual property, and cost American companies more than $2,500,000,000 in lost sales in 2004.

(10) China’s industrial policies discriminate against foreign firms and products.

(11) The Government of China continues to heavily subsidize its manufacturing sector through tax incentives, preferential access to credit and capital, subsidized utilities, and other measures.

(12) Since 1994, China has kept its currency pegged at approximately 8.5 renminbi to the United States dollar, which has caused the renminbi to become undervalued against the dollar by as much as 40 percent, harming exports of United States goods and services to China and providing an unfair advantage to Chinese exports to the United States.

(13) Current policies of the United States have failed to advance and protect the interests of American workers and businesses in the United States-China trade relationship, failed to address effectively China’s unfair trade practices and market access barriers to goods and services, and poor record at protecting intellectual property rights, and failed to stem or reverse the unsustainable United States trade deficit with China.

(14) It is critical that the United States develop and implement a comprehensive and coherent set of policies to address China’s unfair trade practices and abide by its commitments as a member of the World Trade Organization.

SEC. 3. APPLICATION OF COUNTERVAILING DUTIES TO NONMARKET ECONOMIES.

(a) IN GENERAL.—Section 701(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1671a(a)(1)) is amended by inserting “including a nonmarket economy country” after “country” each place it appears.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to petitions filed after section 706 of the Tariff Act of 1930 on or after the date of the enactment of this Act.

SEC. 4. TREATMENT OF CURRENCY MANIPULATION.

(a) DEFINITION OF UNJUSTIFIABLE ACTS, POLICIES, AND PRACTICES.—Section 301(d)(4)(B) of the Trade Act of 1974 (19 U.S.C. 2411(d)(4)(B)) is amended to read as follows:

“(ii) In this subparagraph, the term ‘currency manipulation’ means the protracted large-scale intervention by an authority to undervalue its currency in the exchange market that prevents the adjustment of payments or makes payments adjustment or gains an unfair competitive advantage over the United States.”
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(1) INVESTIGATION, DETERMINATIONS, ACTIONS.—The United States Trade Representative shall—

(A) conduct an investigation, under sections 303 and 304 of the Trade Act of 1974, of the currency practices of the People’s Republic of China;

(B) make the applicable determinations under section 304 of that Act pursuant to that investigation; and

(C) implement any action, under section 305 of that Act, in accordance with such determinations.

(2) INITIATION OF INVESTIGATION.—The United States Trade Representative shall initiate the investigation required by paragraph (1) not later than 90 days after the date of the enactment of this Act.

SEC. 5. CLARIFICATION OF STANDARD FOR PRESIDENTIAL ACTION ON FTC FINDING OF MARKET DISRUPTION.

(a) AMENDMENTS TO STANDARD FOR TRADE REPRESENTATIVE’S RECOMMENDATION TO THE PRESIDENT.—Section 421(b)(2) of the Trade Act of 1974 (19 U.S.C. 2461(b)(2)) is amended—

(1) by striking “(2) Within” and inserting “(2A) Within”;

(2) by adding at the end the following:

“(B) Any results of the econometric model according to the President under subparagraph (A), the Trade Representative shall consider the facts found, or conclusions drawn, by the Commission and report to the Trade Representative, and the Trade Representative may not conduct an additional review or reconsideration of the facts found or conclusions reached by the Commission.

“(C) If the Commission in its report makes an affirmative finding of market disruption, the Trade Representative shall apply a prescription in favor of relief to prevent or remedy the market disruption.

“(D) The following factors may not be used as the basis of a recommendation by the Trade Representative to recommend denying relief under this section:

“(i) The presence or absence (whether actual or potential) of third-country imports of the product under investigation.

“(ii) Any results of the econometric model known as the Commercial Policy Analysis System (COMPAS) or equivalent model.

(b) STANDARD FOR PRESIDENTIAL ACTION.—Section 421(k) of the Trade Act of 1974 (19 U.S.C. 2461(k)) is amended by adding at the end the following:

“(3) The President’s determination shall be based on the facts found, or conclusions drawn, by the Commission as they are reported to the Trade Representative under subsection (a).

“(4) If the Commission in its report makes an affirmative finding of market disruption, the President shall apply a presumption in favor of relief to prevent or remedy the market disruption.

“(5) Any determination by the President under paragraph (1) that providing relief is not in the national economic interest of the United States may not be based on the following factors:

“(A) The presence or absence (whether actual or potential) of third-country imports of the product under investigation.

“(B) Any results of the econometric model known as the Commercial Policy Analysis System (COMPAS) or equivalent model.

SEC. 6. IDENTIFICATION OF TRADE EXPANSION PRIORITIES.

(a) IDENTIFICATION OF TRADE EXPANSION PRIORITIES.—Section 310 of the Trade Act of 1974 is amended to read as follows:

“SEC. 310. IDENTIFICATION OF TRADE EXPANSION PRIORITIES.

(a) Identification of Trade Expansion Priorities.—The Trade Representative shall—

(1) Identification and report.—Within 30 days after the submission in each calendar year of the report required by section 311(b), the Trade Representative shall—

“(A) review United States trade expansion priorities;

“(B) identify priority foreign country practices, the elimination of which is likely to have the most significant potential to increase United States exports, either directly or through the establishment of a beneficial precedent; and

“(C) submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives and publish in the Federal Register a report on the priority foreign country practices so identified.

“(B) identify priority foreign country practices under paragraph (1), the Trade Representative shall take into account all relevant considerations:

“(A) the major barriers and trade distortions practices described in the National Trade Estimate Report required under section 311(b);

“(B) the trade agreements to which a foreign country is a party and its compliance with those agreements;

“(C) the medium- and long-term implications of foreign government procurement plans; and

“(D) the international competitive position and export potential of United States products and services.

“(3) CONTENTS OF REPORT.—The Trade Representative may include in the report, if appropriate—

“(A) a description of foreign country practices that may be in the future warrant identification as priority foreign country practices; and

“(B) a statement about other foreign country practices that were not identified because they are already being addressed by provisions of United States trade law, by existing bilateral trade agreements, or as part of trade negotiations with other countries, and because progress is being made toward the elimination of such practices.

“(b) INITIATION OF CONSULTATIONS.—By no later than the date that is 21 days after the date on which a report is submitted to the appropriate congressional committees under subsection (a)(1), the Trade Representative shall seek consultations with each foreign country identified as having priority foreign country practices for the purpose of reaching a satisfactory resolution of such priority foreign country practices;

“(c) INITIATION OF INVESTIGATION.—If a satisfactory resolution of priority foreign country practices has not been reached under subsection (b) within 90 days after the date on which a report is submitted to the appropriate congressional committees under subsection (a)(1), the Trade Representative shall initiate under section 302(b)(1) an investigation of the satisfaction of such priority foreign country practices.

“(d) AGREEMENTS FOR THE ELIMINATION OF BARRIERS.—In the consultations with a foreign country that the Trade Representative is required to request under section 302(a), with respect to any investigation initiated by reason of subsection (c), the Trade Representative shall seek to negotiate an agreement that provides for the elimination of the practices that are the subject of the investigation as quickly as possible or, if elimination of the practices is not feasible, an agreement that provides for compensatory trade benefits.

“(e) REPORTS.—The Trade Representative shall include in the annual report required by section 309 a report on the status of any investigations initiated pursuant to subsection (c) and, where appropriate, the extent to which any such investigation has led to increased opportunities for the export of products and services of the United States.

“(B) Any results of the econometric model according to the President under subparagraph (A), the Trade Representative shall consider the facts found, or conclusions drawn, by the Commission as they are reported to the Trade Representative under subsection (a).

“(2) Within the scope of the authority to undervalue its currency in the rate of exchange between its currency practices of the People’s Republic of China, in accordance with section 310 of the Trade Act of 1974, as amended by subsection (a) of this section.

“(c) CONFORMING AMENDMENT.—The item relating to section 310 in the table of contents of the Trade Act of 1974 is amended as follows:

“‘Sec. 310. Identification of trade expansion priorities.’

SEC. 7. REQUIREMENT OF CASH DEPOSITS.

Section 531(a)(1)(B) of the Tariff Act of 1930 (19 U.S.C. 1675(a)(2)(B)) is amended—

(1) by striking clause (iii); and

(2) by redesignating clause (iv) as clause (iii).

SEC. 8. FTC INVESTIGATION.

(a) INVESTIGATION.—The United States International Trade Commission shall conduct a study, under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332), to determine how the People’s Republic of China uses government intervention to promote investment, employment, and exports, and the Commission and Means of the House of Representatives.

(b) TIMING OF REPORTS ON INVESTIGATION.—The Congress requests that—

(1) not later than 9 months after the date of the enactment of this Act, the International Trade Commission complete its investigation under subsection (a) and submit a report on the investigation to the Committee on Ways and Means of Representatives and the Committee on Finance of the Senate; and

(2) not later than 1 year after the report under paragraph (1) is submitted, and annually thereafter through 2016, the International Trade Commission prepare and submit to the committees referred to in paragraph (1) an update of the report.

SEC. 9. AMENDMENTS RELATING TO INTERNATIONAL FINANCIAL POLICY.

(a) BILATERAL NEGOTIATIONS.—Section 3004(b) of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5304(b)) is amended in the second sentence by striking “(1) have material global account surpluses; and (2)”—

(b) DESTRUCTION OF MONETARY SURPLUSES.—Section 3006 of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5306) is amended by adding at the end the following:

“(3) MANIPULATION OF RATE OF EXCHANGE.—A country shall be considered to be manipulating the rate of exchange between its currency and the United States dollar if there is a protracted large-scale intervention by an authority to undervalue its currency in the
exchange market that prevents effective balance of payments adjustment or gains an unfair competitive advantage over the United States.

(c) Rinpo—Section 3005(b) of the Exchange Rates and International Economic Policy Coordination Act of 1968 (22 U.S.C. 589g-4) is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting "; and"; and

(3) by adding at the end the following:

"(9) a detailed explanation of the test the Secretary uses to determine whether or not a country is manipulating the rate of exchange between that country's currency and the dollar for purposes of preventing effective balance of payments adjustment or gaining an unfair competitive advantage over the United States.".

SEC. 10. WITHDRAWAL OF NORMAL TRADE RELATIONS TREATMENT FROM THE PEOPLE'S REPUBLIC OF CHINA.

Notwithstanding the provisions of title I of Public Law 106–286, title IV of the Trade Act of 1974, or any other provision of law, effective on the date of the enactment of this Act, normal trade relations treatment shall not apply to the products of the People's Republic of China and normal trade relations treatment may not thereafter be extended to the products of that country.

Mr. PUTNAM. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes had it.

Mr. McGovern. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore (Mr. BONILLA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes had it.

Mr. DEAL of Georgia. Mr. Speaker, I rise to offer a motion that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore (Mr. BONILLA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes had it.

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The yeas and nays were ordered.

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The question was taken; and the Speaker pro tempore announced that the ayes had it.

Mr. McGovern. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore (Mr. BONILLA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes had it.

Mr. DEAL of Georgia. Mr. Speaker, I rise to offer a motion that I demand the yeas and nays.
Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I might consume to the gentleman from Texas (Mr. BARTON), the chairman of the Committee on Energy and Commerce.

Mr. BARTON of Texas. Mr. Speaker, I apologize to the Speaker. There is some confusion. I have tried several times today to file the energy conference report. Because of technical glitches, every time we get right to the lip of the cliff, we have to do one little more thing. So I apologize for any confusion.

Mr. Speaker, I am here today multi-hatted. In addition to working on energy, my committee has also been working on health care. The bills that are under suspension, the five bills in the House and the Senate, are all moving to make health care better and more affordable and also more understandable for the American people.

My excellent subcommittee chairman, the gentleman from Georgia (Mr. DEAL), has worked very hard on this on a bipartisan fashion. The ranking member, the gentleman from Michigan (Mr. DINGELL) of the full committee level, and the gentleman from Ohio (Mr. BROWN), the ranking member of the subcommittee, have worked to make the bills that are going to consider today very, very good bills as well as very bipartisan bills.

So, Mr. Speaker, I am simply saying that the first bill that we are going to consider is very worthy of consideration, and I hope the House will pass it expeditiously and then move to the next four.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I am pleased that we are on the verge of passing H.R. 3204, the State High Risk Pool Funding Extension Act. Simply put, this bill will help more people get health insurance. People with preexisting conditions or high health care expenses face major difficulties when they seek to purchase health insurance.

This is especially true for workers in small businesses who are self-employed. So they often go without health insurance and turn to government programs like Medicaid when they become sick or disabled.

This bill authorizes Federal grant money to help fund the initial start-up and operation of State high-risk pools. Risk pools allow eligible individuals to purchase health insurance, pay premiums, and receive health coverage through private insurers. This grant money will allow States with those pools to cover more individuals and reduce the premiums they must pay.

It will also allow States like my home State of Georgia that do not have a qualified high-risk pool to simply start one. This bill will help to reduce the latter and provide affordable health insurance for more Americans.

Mr. Speaker, I want to thank the bill’s sponsors, the gentleman from Arizona (Mr. SHADEGG), who I will recognize in a moment, the Democratic counterpart, the gentleman from New York (Mr. TOWNS), and their staffs for their hard work on this bill.

I would also like to thank the staff of the Energy and Commerce Committee, including the majority staff, and Amy Hall on the ranking member, the gentleman from Michigan’s (Mr. DINGELL), staff for their efforts to come up with a bipartisan proposal that will help States to ensure that individuals who do not otherwise have health insurance are able to purchase it.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 4 minutes.

I am pleased to join the gentleman from Georgia (Mr. DEAL) in supporting H.R. 3204, which reallocates funding for State high-risk insurance pools. I commend my colleagues, the gentleman from Arizona (Mr. SHADEGG) and the gentleman from New York (Mr. TOWNS), for their work on this legislation.

In many States, high-risk insurance pools are the only option for individuals who have worked and access to coverage in the commercial insurance system. The legislation before us is intended not only to strengthen existing high-risk pools, but to help States without such pools, my home State of Ohio is one of them, to help States without such pools to establish them.

But as we reallocate this legislation, it is important to place high-risk insurance pools in context. These pools are a symptom of a troubled insurance system, not a cure for it.

The fact is, health insurance itself is supposed to serve as a high-risk pool. It was used to be that health insurance was offered to everyone at the same premium, because any one of us could be the unlucky one to need the health care we cannot afford.

By spreading risk broadly, good health insurance can be affordable for everyone regardless of their health status, regardless of their health status. But commercial insurers did what businesses do, they figured out how to maximize profits. You can hardly blame them for that. You can, however, blame policymakers in this body and other places. You can blame policymakers for letting the insurance industry get away with that. The best way to earn profits in the health insurance industry, of course, is to avoid insuring people who may actually use the coverage.

And health insurers use every trick in the book to do that, to avoid those people. To the extent they can get away with it, commercial insurers underwrite and pay the risk pools themselves no better off. That is not the case for everyone. So we are left with stop-gap mechanisms like high-risk insurance pools.

They are far from ideal, but our most vulnerable citizens certainly would be worse off without them. We should make sure high-risk insurance pools are available. We should also keep working until we render them unnecessary.

I appreciate the author’s willingness, the gentleman from Arizona (Mr. SHADEGG), and the gentleman from Texas (Mr. BARTON) Chairman BARTON of the Energy and Commerce Committee, to accept an amendment I offered during committee consideration to ensure that States use at least 50 percent of the bill’s funding to expand access to the pool or to improve the high-risk coverage.

As it stands, States can who need coverage right out of the insurance market. Private health insurance used to be a community; now it is almost a country club. So we are left with stop-gap mechanisms like high-risk insurance pools.

I urge my colleagues to support this legislation on behalf of individuals disenfranchised from private health insurance because they are not in perfect health. That hardly makes sense.

Mr. Speaker, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my counterpart as the ranking member of the health subcommittee for what I perceive to be his unqualified endorsement of this legislation.

Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. SHADEGG), the author of the legislation.
Mr. SHADEGG. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this piece of legislation addresses a concern which touches literally every single American life. A number of years ago, in 2002, this Congress looked at the issue of health care in America and recognized that, sadly, there are those in this country who as a result of some form of health condition cannot acquire affordable health insurance.

We have decided as a Nation that no one in this country should go without a basic level of health care; and recognizing these high-risk individuals, the Congress in 2002 passed legislation to encourage each of States across the country to establish a high-risk pool; that is, to create a pool of money sponsored by the State where individuals with serious illnesses, individuals in this high-risk category, could go and could acquire insurance at a more affordable rate, indeed, at a rate they could afford as opposed to going uninsured. I think this is a charitable thing to do, I think it is a compassionate thing to do, and I think it is important.

This legislation today extends that principle. I am extremely encouraged that 33 States across this country have taken advantage of the prior legislation enacted in 2002 and have established these high-risk pools to help individuals in their State who are in the high-risk category and cannot find affordable insurance. In carrying those principles forward, this legislation first and foremost encourages additional States to create high-risk pools. To accomplish that goal it provides $15 million in seed grants available to any State which does not currently have a high-risk pool. Each State is eligible for up to $1 million to found and begin its high-risk pool. So I hope that that money is taken advantage of by as many States as possible that do not currently have high-risk pools so that they can create a high-risk pool so that those in our society who have the kinds of illnesses that make it impossible for them to acquire affordable health insurance will have that opportunity available to them in their State.

The legislation also assists those States who have already established high-risk pools. It provides $50 million a year each year from fiscal year 2005 through fiscal year 2009 to offset operational losses for high-risk pools. These high-risk pools are funded by everyone that has insurance. That is, a tax is levied on every single person that has insurance, and that tax is contributed to the high-risk pool. By having additional money from the Federal Government to help offset operating losses, we are lowering the cost of health insurance for every single insured American.

This is vitally important legislation. I want to thank the chairman of the subcommittee, the ranking chairman of the full committee and the ranking member of the full committee for their assistance in bringing this important legislation to the floor.

Mr. BROWN of Ohio, Mr. Speaker, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Speaker, thank you for yielding me this time. When we look at the issue of health care, we see that 33 States across this country have taken advantage of the prior legislation for the creation and operation of high-risk pools. Mr. Speaker, this is a nonpartisan issue. As we all well know, the increasing cost of health care has affected millions of Americans. The number of uninsured Americans is obviously too high. One of the benefits of providing this legislation is that it makes sense because pool members are charged more for that coverage. This balances the cost of providing health care in the individual market. Pools are already operating high-risk pools. The coverage they offer is good coverage. In that light, high-risk pools have quietly become an important part of our Nation’s public/private patchwork of health care coverage for individuals with costly health conditions. These folks are oftentimes employed and paying their taxes, but cannot get coverage under a normal insurance plan in the individual market. Pools are already covering thousands of people who through no fault of their own do not have access to group health insurance and simply cannot afford coverage in the individual market.

Thirty-one States thankfully are already operating high-risk pools. The coverage they offer is good coverage. Oftentimes it is as good as what is offered in the private insurance market in that State. However, enrollees are oftentimes required to pay premiums. This makes sense because pool members are by definition those who are considered to be uninsurable. However, we limit how much can be charged, generally between 125 and 150 percent of the base individual market rate. One of the important provisions of H.R. 3204 is that it requires States that charge premiums that exceed 150 percent to use at least 250 percent of their Federal grant to reduce their premiums.

Mr. Speaker, this legislation takes us a step closer to making sure that everyone can purchase the health insurance protection they need. I understand the worries associated with serious health conditions, and my constituents know the danger that catastrophic health care costs can pose to working families, especially in rural and territories.

The State’s high-risk pool model is an innovative manner of addressing the need for health insurance for high-risk populations. H.R. 3204 authorizes Federal seed funding and additional grants in the 50 States and the District of Columbia for the purpose of initiating and operating high-risk pools, but unfortunately fails to include the U.S. territories.

H.R. 3204 is a good approach to decreasing the number of uninsured. In fact, it makes coverage accessible to people who, often through no fault of their own, suffer from these chronic diseases. It can be very helpful to my constituents and the constituents of my fellow delegates, especially given the limitations the cap on Medicaid imposes on health care delivery in the territories.

I am sure that the exclusion of the territories was an oversight, and I respectfully request your assistance and the assistance from the gentleman from Ohio (Mr. Brown) in working to add the territories as eligible recipients of this funding as this bill moves through the rest of the legislative process and in any conference with the Senate on this reauthorization.

Mr. DEAL of Georgia. Mr. Speaker, I yield to the gentleman from Georgia.

Mrs. CHRISTENSEN. I yield to the gentleman from Georgia.

Mr. DEAL of Georgia. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. CHRISTENSEN) for taking time out on his birthday to be with us, and I congratulate him on his birthday.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) for the purposes of engaging in a colloquy.

Mrs. CHRISTENSEN. Mr. Speaker, I thank the gentleman from Georgia (Mr. DEAL) for yielding me time and for entering into a colloquy.

Mr. Speaker, residents of the U.S. territories face many obstacles to obtaining affordable health insurance. The insurance pool here in the territories is relatively high, and corresponding insurance rates are high due to a number of factors, including the high level of chronic disease in small populations over which to spread risk.

The State’s high-risk pool model is an innovative manner of addressing the need for health insurance for high-risk populations. H.R. 3204 authorizes Federal seed funding and additional grants in the 50 States and the District of Columbia for the purpose of initiating and operating high-risk pools, but unfortunately fails to include the U.S. territories.

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I am sure that the exclusion of the territories was an oversight, and I respectfully request your assistance and the...
sure that they are included in this re-
authorization of the State high-risk pool. I thank her for her comments. I think they were well taken. And I have already spoken to the author of the legislation, and he assures me that he is in agreement with the proposition that the gentleman has brought to our attention.

Mrs. CHRISTENSEN. I thank the gentleman for agreeing to take this up in conference.

Mr. DINGELL. Mr. Speaker, this bill extends Federal grants funding for State high risk pools first authorized under the Trade Adjustment Assistance Act of 2005. High risk pools pro-
vide coverage for those who are otherwise medically uninsurable, for example, individuals with preexisting conditions or catastrophic ill-
nesses such as cancer or multiple sclerosis. Today, 32 States operate high risk pools but these pools are far from an ideal solution. Many pools exclude coverage for certain ben-
efits such as prescription drugs or maternity care. Other pools have waiting lists or closed enrollment periods. Others exclude pre-existing conditions from coverage.

Because of these limitations, Congress es-
tablished parameters around eligibility for Fed-
eral grant funding of high risk pools. The intent was to ensure that Federal funding was used to improve access and coverage under these pools. Unfortunately, in the first round of grants, half of the States that received funding used the money solely to lower insurance company assessments that fund high risk pools rather than to actually improve the pools for individual beneficiaries.

I am particularly pleased that H.R. 3204 in-
cludes bonus grants for supplemental con-
sumer benefits. This legislation would require States to use up to 50 percent of their grant funds to improve the risk pools for consumers by lowering premiums, reducing waiting lists, or improving benefits.

Many of the bills relating to health insurance coverage and access in this Congress—such as Association Health Plans—are partisan and have little chance of passage. But I am pleased to support this legislation which is the product of a bipartisan effort to improve ac-
cess to coverage under high risk pools.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CULERIERSON). The question is on the mo-
tion offered by the gentleman from Georgia (Mr. DEAL) that the House sus-
pend the rules and pass the bill, H.R. 3204, as amended.

The question was taken; and (two-
thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was waived.

CONTROLLED SUBSTANCES EXPORT REFORM ACT OF 2005

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1395) to amend the Con-
trolled Substances Import and Export Act to provide authority for the Attor-
ney General to authorize the export of controlled substances from the United States to another country for subse-
quent export from that country to a second country, if certain conditions and safeguards are satisfied.

The Clerk read as follows:

Be it enacted by the Senate and House of Repre-
sentatives of the United States of America in Congress assembled,

SECTION 1. REEXPORTATION OF CONTROLLED SUBSTANCES.

(a) SHORT TITLE.—This Act may be cited as the "Controlled Substances Export Reform Act of 2005.

(b) IN GENERAL.—Section 1003 of the Con-
trolled Substances Import and Export Act (21 U.S.C. 933) is amended by adding at the end the following:

"(1) Notwithstanding subsections (a)(4) and (c)(3), the Attorney General may authorize any controlled substance that is in schedule I or II, or is a narcotic drug in schedule III or IV, to be exported from the United States to a country for subsequent export from that country to another country, if each of the following conditions is met:

"(A) The controlled substance is to be exported from a country to another country for subsequent export from that country to another country, if certain conditions and safeguards are satisfied.

"(B) The controlled substance is to be exported from a country to another country for subsequent export from that country to another country, if certain conditions and safeguards are satisfied.

"(C) The controlled substance will not be re-exported from the second country to the first country or to any other country prior to manufacture or importation.

"(D) The controlled substance will not be re-exported from the second country to the first country or to any other country prior to manufacture or importation.

"(E) The controlled substance will not be re-exported from the second country to the first country or to any other country prior to manufacture or importation.

"(F) Notwithstanding subsections (a)(4) and (c)(3), the Attorney General may authorize any controlled substance that is in schedule I or II, or is a narcotic drug in schedule III or IV, to be exported from the United States to a country for subsequent export from that country to another country, if each of the following conditions is met:

"(1) Both the country to which the con-
trolled substance is exported from the United States (referred to in this subsection as the ‘first country’ and the country to which the controlled substance is exported from the first country (referred to in this subsection as the ‘second country’) are parties to the Single Convention on Narcotic Drugs, 1961, and the Convention on Psycho-
tropic Substances, 1971.

"(2) The first country and the second coun-
try have each instituted and maintain, in conformity with such Conventions, a system of controls of imports of controlled sub-
stances which the Attorney General deems adequate.

"(3) With respect to the first country, the controlled substance is consigned to a holder of such permits or licenses as may be re-
quired under the laws of such country, and a permit or license to import the controlled substance has been issued by the country.

"(4) With respect to the second country, substantial evidence is furnished to the At-
torney General by the person who will export the controlled substance from the United States that:

"(A) The controlled substance is to be con-
signed to a holder of such permits or licenses as may be required under the laws of such country, and a permit or license to import the controlled substance is to be issued by the country; and

"(B) The controlled substance is to be ap-
plied exclusively to medical, scientific, or oth-
er legitimate uses within the country.

"(5) The controlled substance will not be exported from the second country.

"(6) Within 30 days after the controlled substance is exported from the second country, the person who exported the controlled substance to the United States delivers to the Attorney General documentation certifying that such ex-
port from the first country has occurred.

"(7) A permit to export the controlled sub-
stance from the United States has been issued by the Attorney General."

The SPEAKER pro tempore. Pursu-
ant to the rule, the gentleman from Georgia (Mr. DEAL) and the gentleman from Ohio (Mr. BROWN each will con-

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that all Mem-
bers may have 5 legislative days within which to revise and extend their re-
marks and include extraneous material on S. 1395.

The SPEAKER pro tempore. Is there objection to the request of the gen-
tleman from Georgia?

There was no objection.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may con-
sume.

Mr. Speaker. S. 1395, the Controlled Substances Export Reform Act of 2005, is simply about allowing companies to better compete in the global market-
place.

Under the Controlled Substances Im-
port and Export Act, a company is not allowed to export controlled substances to one country and then send it to a third country. Companies that export controlled substances must make a large number of long-distance, small shipments to individual countries, in-
curring large shipping costs. Due to these restrictions, American manufactur-
ers are less competitive than their for-

ternational competitors, which results in high-paying U.S. jobs being sent over-
seas.

S. 1395 will enable U.S. companies to export products more efficiently by al-
lowing them to send a large shipment to one nation overseas and from there to distribute smaller shipments to other countries. All subsequent trans-
fers of controlled substances would still be subject to strict controls that by the DEA and will require a permit from the Attorney General to prevent any potential abuse.

Both the Committee on Energy and Com-
merce and the Committee on the Judiciary have reported the House companion legislation to this bill ear-
ier this year. I would like to thank the gentleman from Pennsylvania (Mr. PITTS), a member of the Committee on Energy and Commerce, for his work on this issue.

I urge my colleagues to support this needed legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may con-
sume.

Mr. Speaker, before yielding to my friend from Guam, I would like to make a couple of opening comments. The Controlled Substances Import and Export Reform Act is common-sense legislation that would lift unnecessary barriers to the export of controlled substances.

I was pleased to join my colleague on the Committee on Energy and Com-
merce, the gentleman from Pennsyl-

Our bill expands the U.S. role in an import-
antly export while maintaining safeguards to prevent illegal diversion of controlled substances. The key pro-
visions of this bill create a regulatory mechanism by which U.S. exporters can ship controlled substances effi-
cently from one country to another,
enabling those companies to compete on a global scale.

The Drug Enforcement Administration worked with us on this legislation to ensure sufficient protections for consumers and safeguards against illegal activity. I thank the gentleman from Georgia (Mr. Deal) and his staff for their work on this bill. I am pleased to support its passage.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Guam (Ms. Bordallo).

Ms. Bordallo. Mr. Speaker, I wish to speak very briefly on H.R. 3204.

The cost of providing health care in the territories is relatively high, and corresponding insurance rates are high due to the number of factors, including high levels of chronic disease in small populations over which to spread risk.

H.R. 3204 authorizes Federal seed funding and additional grants to 50 States and the District of Columbia for the purposes of initiating and operating high-risk pools, but, Mr. Speaker, unfortunately, it fails to include the U.S. territories. I want to thank my colleague, the gentlewoman from the Virgin Islands (Mrs. Christensen), who was here speaking on my behalf earlier. I also thank the gentleman from Georgia (Mr. Deal) and the gentleman from Ohio (Mr. Brown).

I respectfully request the gentleman’s assistance and the attention of our colleagues, the gentleman from Georgia (Mr. Deal) and the gentlewoman from Ohio (Mr. Brown), in working to add the territories as eligible recipients of this funding as this bill moves through the rest of the legislative process and in any conference with the Senate on this reauthorization.

Mr. Brown of Ohio. Mr. Speaker, I thank the gentlewoman from Guam, and I will work with the gentleman from Georgia (Mr. Deal) and the gentlewoman from the Virgin Islands (Mrs. Christensen) and the congressional Representatives from other U.S. territories to secure the inclusion of U.S. territories in the conference report on the prior legislation reauthorizing the State high-risk pool grant funding; and I thank the gentlewoman from Guam and also the gentlewoman from the Virgin Islands (Mrs. Christensen) in joining us on the floor.

Mr. Speaker, I reserve the balance of my time.

Mr. Deal of Georgia. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Pennsylvania (Mr. Pitts), the author of the House companion bill to the legislation that we are considering now.

Mr. Pitts. Mr. Speaker, as a sponsor of this legislation in the House, I rise in strong support of S. 1395. This bipartisan legislation would reform laws that govern the export of American-made pharmaceutical products.

This is a jobs bill that will benefit small businesses, particularly small pharmaceutical companies employing between 100 and 250 highly paid workers. Current law puts U.S. companies, particularly these small manufacturers, at a significant disadvantage with their foreign competitors. Larger manufacturers, with an established foreign presence, may choose to manufacture offshore. Foreign firms do not have to worry about it. They readily export approved medical products between international drug control treaty countries without limit or restriction.

To compete, smaller U.S. companies, or those requiring specialized manufacturing plants for niche pharmaceuticals, are forced to choose between spending millions of dollars on export costs or spending millions of dollars in establishing overseas manufacturing facilities. This cost hurts smaller companies like Cephalon, back home in Pennsylvania.

The bottom line is our law ties the hands of American companies, forces them to do business elsewhere or not to do business at all. This legislation would authorize the Attorney General to permit carefully regulated pharmaceutical exports to international drug control treaty partner countries.

To compete, smaller U.S. companies, or those requiring specialized manufacturing plants for niche pharmaceuticals, are forced to choose between spending millions of dollars on export costs or spending millions of dollars in establishing overseas manufacturing facilities. This cost harms smaller companies like Cephalon.

The Drug Enforcement Administration (DEA) would retain its full authority over all shipments of controlled substances, and the bill establishes strict procedures to ensure these products are used solely for legitimate medical purposes. Mr. Speaker, this legislation keeps jobs and industry right here at home, and removes one of the barriers to prevent the success of these small companies. I urge support of the bill; and I thank my colleague, the gentleman from Ohio (Mr. Brown), for the bipartisan effort, and I thank Chairman Deal for his leadership on the issue.

Mr. Speaker, as the sponsor of this legislation in the House I rise in strong support of S. 1395, the Controlled Substances Export Reform Act of 2005.

This bipartisan legislation would reform laws that govern the export of American-made pharmaceutical products. It is a jobs bill that will benefit small businesses, particularly small pharmaceutical companies employing between 100 and 250 highly paid workers.

Current law allows U.S. companies to export most controlled substances only to the immediate country where the products will be consumed. Shipment to central sites for further distribution across national boundaries is currently prohibited.

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Current law puts U.S. companies, particularly small manufacturers, at a significant disadvantage with their foreign competitors. Larger manufacturers with an established foreign presence may choose to manufacture offshore using existing facilities. Foreign firms don’t have to worry about it. They readily export approved medical products between international drug control treaty countries without limit or restriction.

This bill removes just one of the barriers that prevent their success. I urge support for this bill. And continued support for our Nation’s small businesses.
eyes of the U.S. Drug Enforcement Administration and Department of Justice, is prohibited for U.S. exporters. This contrasts with the freedom of drug manufacturers throughout the rest of the world to readily move their products among and between international drug control treaty countries without limit or restriction.

These limitations put U.S. manufacturers at a disadvantage by requiring more frequent and costly shipments to each individual country of use. We are effectively discouraging domestic manufacturing while encouraging U.S. drug exporters to move production overseas.

Utah, a state with a small but growing pharmaceutical manufacturing industry, is committed to maintaining a strong domestic base so that U.S. businesses can compete on a level playing field with our international competitors. But this industry faces an uncertain future unless we do something.

S. 1395, the Controlled Substances Export Reform Act of 2005, is the companion legislation to H.R. 184 that Rep. Joe Pitts and I introduced in the House, and that passed the House Judiciary and Energy and Commerce Committees. This legislation advances that goal by permitting the carefully regulated international transshipment of exported U.S. pharmaceuticals. The bill retains full DEA control over all drug exports and establishes strict permitting requirements to ensure drug safety while removing an unnecessary barrier to U.S. production and the growth of well-paid jobs.

Mr. Speaker, on behalf of the 500 Utah workers whose jobs may be endangered by current law, and on behalf of the many more workers we stand to gain by updating an outdated system, I am pleased to support S. 1395 and I urge the measure’s immediate adoption.

Mr. DEAL of Georgia. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CULBERSON). The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and pass the Senate bill, S. 1395.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PATIENT SAFETY AND QUALITY IMPROVEMENT ACT OF 2005

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 544) to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely affect patient safety.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Patient Safety and Quality Improvement Act of 2005”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Amendments to Public Health Service Act.

“PART C—PATIENT SAFETY IMPROVEMENT

Sec. 921. Definitions.
Sec. 922. Privilege and confidentiality protections.
Sec. 923. Authority of patient safety organizations.
Sec. 924. Patient safety organization certification and listing.
Sec. 925. Patient safety organization financial assistance.
Sec. 926. Severability.

SEC. 2. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

(a) SHORT TITLE.—This Act may be cited as the “Patient Safety Work Product Act of 2005”.

(b) TABLE OF CONTENTS.

Sec. 2. Amendments to Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

(1) by inserting after section 912(c), by inserting “, in accordance with part C,” after “The Director shall”; and

(2) by redesignating section 912(d) as 912(e).

(c) PATIENT SAFETY WORK PRODUCT—

The term ‘patient safety work product’ means any data, reports, records, memoranda, analyses (such as root cause analyses), or written or oral statements—

(i) which—

(II) are assembled or developed by a provider for reporting to a patient safety organization and are reported to a patient safety organization or—

(III) are developed by a patient safety organization for the conduct of patient safety activities; and

which could result in improved patient safety, health care quality, or health care outcomes; or

(ii) which identify or constitute the deliberations or analysis of, or identify the fact of reporting pursuant to, a patient safety evaluation system.

(d) CLARIFICATION—

(i) Information described in subparagraph (A) does not include information that is collected, maintained, or developed separately, or exists separately, from a patient safety evaluation system. Such separate information or a copy thereof reported to a patient safety organization shall not be considered patient safety work product.

(ii) Nothing in this part shall be construed to limit—

(I) the discovery of or admissibility of information described in this subparagraph in a criminal, civil, or administrative proceeding;

(II) the reporting of information described in this subparagraph to a Federal, State, or local governmental agency for public health surveillance, investigation, or other public health purposes or health oversight purposes; or

(iii) a provider’s recordkeeping obligation with respect to information described in this subparagraph under Federal, State, or local law.

(e) PROVIDER.—The term ‘provider’ means—

(1) an individual or entity licensed or otherwise authorized under State law to provide health care services, including—

(I) a hospital, nursing facility, comprehensive outpatient rehabilitation facility, home health agency, hospice program, renal dialysis facility, ambulatory surgical center, pharmacy, physician or health care practitioner’s office, long term care facility, or behavior health residential treatment facility, clinical laboratory, or health center; or

(II) a physician, pharmacist, dentist, nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, certified nurse midwife, psychologist, certified nurse social worker, registered dietitian or nutrition professional, physical or occupational therapist, pharmacist, or other individual health care practitioner; or

(III) any other individual or entity specified in regulations promulgated by the Secretary.

Sec. 922. PRIVILEGE AND CONFIDENTIALITY PROTECTION

(a) PRIVILEGE.—Notwithstanding any other provision of Federal, State, or local...
law, and subject to subsection (c), patient safety work product shall be privileged and shall not be

(1) subject to a Federal, State, or local civil, criminal, or administrative disciplinary proceeding against a provider;

(2) subject to discovery in connection with a Federal, State, or local civil, criminal, or administrative proceeding, including in a Federal, State, or local civil or administrative disciplinary proceeding against a provider;

(3) subject to disclosure pursuant to section 552 of title 5, United States Code (commonly known as the Freedom of Information Act) or any other similar Federal, State, or local law;

(4) admitted as evidence in any Federal, State, or local governmental civil proceeding, criminal proceeding, administrative rulemaking proceeding, or administrative adjudicatory proceeding, including any such proceeding against a provider; or

(5) admitted in a professional disciplinary proceeding of a professional disciplinary body established or specifically authorized under Federal law.

(b) Confidentiality of Patient Safety Work Product.—Notwithstanding any other provision of Federal, State, or local law, and subject to subsection (c), patient safety work product shall be confidential and shall not be disclosed.

(c) Exceptions.—Except as provided in subsection (g)(3), and except that subparagraphs (A) and (B) of subsection (e) may not be construed to prohibit disclosure of identifiable patient safety work product:

(1) Exceptions from Privilege and Confidentiality.—Subsections (a) and (b) shall not apply to (and shall not be construed to prohibit) one or more of the following disclosures:

(A) Disclosure of relevant patient safety work product for use in a criminal proceeding if the disclosure is made in an in camera determination that such patient safety work product contains evidence of a criminal act and that such patient safety work product is material to the proceeding and not reasonably available from any other source.

(B) Disclosure of patient safety work product to the extent required to carry out subsection (f)(4)(A).

(C) Disclosure of identifiable patient safety work product if authorized by each provider, contractor, or other entity with respect to which information is identifiable.

(2) Exceptions from Confidentiality.—Subsection (b) shall not apply to (and shall not be construed to prohibit) one or more of the following disclosures:

(A) Disclosure of patient safety work product to carry out patient safety activities.

(B) Disclosure of nonidentifiable patient safety work product.

(C) Disclosure of patient safety work product to grantees, contractors, or other entities carrying out research, evaluation, or demonstration projects authorized, funded, certified, or otherwise sanctioned by rule or other means by the Secretary, for the purpose of conducting research to the extent that disclosure of protected health information would be allowed for such purpose under the HIPAA confidentiality regulations.

(D) Disclosure by a provider to the Food and Drug Administration with respect to a product or activity regulated by the Food and Drug Administration.

(E) Disclosure by a provider to the Secretary of Health and Human Services of patient safety work product by a provider to an accrediting body that accredits that provider.

(F) Disclosures that the Secretary may determine by rule or other means, are necessary for business operations and are consistent with the goals of this part.

(3) Exception from Privilege.—Subsection (a)(1) shall not be construed to prohibit voluntary disclosure of nonidentifiable patient safety work product.

(d) Continued Protection of Information After Disclosure.—

(1) In General.—Patient safety work product that is disclosed under subsection (c) shall be protected and confidential as provided for in subsections (a) and (b), and such disclosure shall not be treated as a waiver of privilege or confidentiality, and the privilege and confidential nature of such work product shall also apply to such work product in the possession or control of a person to whom such work product was disclosed.

(2) Exception.—Notwithstanding paragraph (1), and subject to paragraph (3), a person who discloses patient safety work product shall not be compelled to disclose information that is not patient safety work product.

(3) Construction.—Paragraph (2) shall not be construed as terminating or limiting the privilege or confidentiality protections provided for in subsection (a) or (b) with respect to any information that is not patient safety work product.

(e) Reporter Protection.

(1) In General.—A patient safety organization may be brought by any aggrieved individual to enjoin any act or practice that violates subsection (e) and to obtain other appropriate equitable relief (including reinstatement, back pay, and restoration of benefits) to redress such violation.

(2) Adverse Employment Action.—For purposes of this subsection, an ‘‘adverse employment action’’ includes—

(A) loss of employment, the failure to promote an individual, or the failure to provide any other employment-related benefit for which the individual would otherwise be eligible; or

(B) an adverse evaluation or decision made in relation to accreditation, certification, credentialing, or licensing of the individual.

(3) Enforcement.—The Secretary may impose a monetary penalty Subject to paragraphs (2) and (3), a person who discloses identifiable patient safety work product in knowing or reckless violation of subsection (b) shall be subject to a civil monetary penalty.

(f) Enforcement.

(1) Civil Monetary Penalty.—Subject to paragraphs (2) and (3), a person who discloses identifiable patient safety work product in knowing or reckless violation of subsection (b) shall be subject to a civil monetary penalty.

(2) Procedure.—The provisions of section 1128A of the Social Security Act, other than subparagraphs (A)(i) and (B)(ii) of section 1128A(b) (a sentence of subsection (b)(1), shall apply to civil money penalties under this subsection in the same manner as such provisions apply to a provider under section 1128A of the Social Security Act.

(3) Relation to HIPAA.—Penalties shall not be imposed both under this subsection and under the regulations issued pursuant to section 264(c)(1) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note) for a single act or omission.

(4) Equitable Relief.—

(A) In General.—Without limiting remedies available to other parties, a civil action may be brought by any aggrieved individual to enjoin any act or practice that violates subsection (e) and to obtain other appropriate equitable relief (including reinstatement, back pay, and restoration of benefits) to redress such violation.

(B) Against State Employers.—An entity that is a State or an agency of a State government may not assert the privilege described in subsection (e) unless the time of the assertion, the entity or, in the case of and with respect to an agency, the State has consented to be subject to an action described in subparagraph (A), and that consent has remained in effect.

(g) Rule of Construction.—Nothing in this section shall be construed—

(1) to limit the application of other Federal, State, or local laws that provide greater privilege or confidentiality protections than the privilege and confidentiality protections provided for in this section;

(2) to limit, alter, or affect the requirements of Federal, State, or local law pertaining to information that is not privileged or confidential under this section;

(3) except as provided in subsection (i), to alter or affect the implementation of any provision of the HIPAA confidentiality regulations or section 117 of the Social Security Act (or regulations promulgated under such section);

(4) to limit the authority of any provider, patient safety organization, or other entity to enter into a contract requiring greater confidentiality or delegating authority to make a disclosure or use in accordance with this section;

(5) as preempting or otherwise affecting an action or proceeding under any other law to require a provider to report information that is not patient safety work product; or

(6) as preventing the disclosure or use of identifiable patient safety work product; or

(7) as preventing the disclosure or use of nonidentifiable patient safety work product.

(h) Other Safeguards.—Nothing in subsection (g) shall apply to (and shall not be construed to prohibit) information that is not patient safety work product.
I. INITIAL CERTIFICATION.

An entity that seeks to be a patient safety organization shall submit an initial certification to the Secretary that the entity:

(A) has appropriate procedures in place to perform each of the patient safety activities described in section 921(5); and

(B) upon being listed under subsection (d), will comply with the criteria described in subsection (b).

II. SUBSEQUENT CERTIFICATIONS.

An entity that is a patient safety organization shall submit every 3 years after the date of its initial listing under subsection (d) a subsequent certification to the Secretary that the entity:

(A) is performing each of the patient safety activities described in section 921(5); and

(B) is complying with the criteria described in subsection (b).

C. CRITERIA.

(1) IN GENERAL.

The following are criteria for the initial and subsequent certification of an entity as a patient safety organization:

(A) The mission and primary activity of the entity are to conduct activities that are to improve patient safety and the quality of health care delivery.

(B) The entity has appropriately qualified staff (who are directly employed or鬼 through subcontract), including licensed or certified medical professionals.

(C) The entity, within each 24-month period that begins before the initial certification and any subsequent certification submitted under subsection (a)(1), has bona fide experience in each of the following 3 years:

(i) any financial, reporting, or contractual relationship between the entity and any provider that contracts with the entity; and

(ii) if applicable, the fact that the entity has not been presented with objection from other providers.

(D) The entity is not, and is not a component entity of, a health insurance issuer.

(E) The entity has appropriately qualified staff to perform each activity described in subsection (b).

(F) To the extent practical and appropriate, the entity, and any component entity of the entity, uses common and consistent definitions, and a nonidentifiable patient safety work product, that has been validated through consensus processes associated with the entity.

(G) The utilization of patient safety work product from providers in a standard and consistent manner to improve patient safety and the quality of health care delivery.

(H) The entity has appropriately qualified staff that is directly employed or through subcontract.

(2) PROTECTION TO CONTINUE TO APPLY.

If the Secretary revokes the certification of an organization under paragraph (1), the entity does not cease to be a patient safety organization or to be treated as a business associate; and

(3) DISCLOSURES REGARDING RELATIONSHIP WITH PROVIDERS.

If the Secretary revokes the certification of an organization under paragraph (1), the entity no longer is considered to be a component entity of a health insurance issuer.

IV. THE ROLE OF DATABASES IN PATIENT SAFETY.

The Secretary shall make the draft report available to the public for public comment and submit the draft report to the Secretary that the entity:

(A) is performing each of the patient safety activities described in section 921(5); and

(B) is complying with the criteria described in subsection (b).

The Secretary shall make the draft report available to the public for public comment and submit the draft report to the Secretary that the entity:

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(A) The mission and primary activity of the entity are to conduct activities that are to improve patient safety and the quality of health care delivery.

(B) The entity has appropriate staffing (who are directly employed or through subcontract), including licensed or certified medical professionals.

(C) The entity, within each 24-month period that begins before the initial certification and any subsequent certification submitted under subsection (a)(1), has experience in each of the following 3 years:

(i) any financial, reporting, or contractual relationship between the entity and any provider that contracts with the entity; and

(ii) if applicable, the fact that the entity has not been presented with objection from other providers.

(D) The entity is not, and is not a component entity of, a health insurance issuer.

(E) The entity has appropriate staffing that is directly employed or through subcontract.

(F) To the extent practical and appropriate, the entity, and any component entity of the entity, uses common and consistent definitions, and a nonidentifiable patient safety work product, that has been validated through consensus processes associated with the entity.

(G) The utilization of patient safety work product from providers in a standard and consistent manner to improve patient safety and the quality of health care delivery.

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(B) is complying with the criteria described in subsection (b).

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(i) any financial, reporting, or contractual relationship between the entity and any provider that contracts with the entity; and

(ii) if applicable, the fact that the entity has not been presented with objection from other providers.

(D) The entity is not, and is not a component entity of, a health insurance issuer.

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(F) To the extent practical and appropriate, the entity, and any component entity of the entity, uses common and consistent definitions, and a nonidentifiable patient safety work product, that has been validated through consensus processes associated with the entity.

(G) The utilization of patient safety work product from providers in a standard and consistent manner to improve patient safety and the quality of health care delivery.

(H) The entity has appropriate staffing that is directly employed or through subcontract.

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If the Secretary revokes the certification of an organization under paragraph (1), the entity does not cease to be a patient safety organization or to be treated as a business associate; and

(3) DISCLOSURES REGARDING RELATIONSHIP WITH PROVIDERS.

If the Secretary revokes the certification of an organization under paragraph (1), the entity no longer is considered to be a component entity of a health insurance issuer.
to the patient safety work product or data described in subsection (f)(1) that the patient safety organization received from another entity, such former patient safety organization shall—

(1) with the approval of the other entity and a patient safety organization, transfer such work product or data to such patient safety organization.

(2) return such work product or data to the entity that submitted the work product or data; or

(3) if returning such work product or data to such entity is not practicable, destroy such work product or data.

SEC. 925. TECHNICAL ASSISTANCE.

The Comptroller General, through the Director, may provide technical assistance to patient safety organizations, including convening annual meetings for patient safety organizations to discuss methodology, communication, data collection, or privacy concerns.

SEC. 926. SEVERABILITY.

If any provision of this part is held to be unconstitutional, the remainder of this part shall not be affected.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1012(c) of the Medicare and Medicaid Programs Act of 1969 (as redesignated by subsection (a)) is amended by adding at the end the following:

"(e) PATIENT SAFETY AND QUALITY IMPROVEMENT ACT OF 2005.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the effectiveness of part C of title IX of the Public Health Service Act (as added by subsection (a)) in accomplishing the purposes of such part C, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2006 through 2010.

(2) STUDY ON IMPLEMENTATION.—

(1) STUDY.—The Comptroller General shall submit a report on the study conducted under paragraph (1). Such report shall include such recommendations for changes in such part as the Comptroller General deems appropriate.

The SPEAKER pro tempore, pursuant to the rule, recognizes the gentleman from Georgia (Mr. DEAL) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 544, the Senate bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may consume, and I rise today in support of S. 544, the Patient Safety and Quality Improvement Act of 2005.

This bill reflects the bipartisan and bicameral agreement of the leadership of the Committee on Energy and Commerce and the Senate Committee on Health, Education, Labor, and Pensions. The bill is identical to H.R. 3205, which was reported by the Committee on Energy and Commerce last week.

In 1999, the Institute of Medicine first identified that up to 98,000 Americans die every year as a result of preventable medical errors. In the report, entitled “To Err is Human,” the IOM recommended that Congress pass legislation to protect the development and analysis of information related to improving safety and quality. The Patient Safety and Quality Improvement Act of 2005 codifies the principal recommendations made in the IOM report.

This bill will assist in promoting a culture of safety and quality; and, more importantly, in setting a framework within which providers can voluntarily report medical errors to patient safety organizations, which in turn would analyze the data and recommend steps providers could take to prevent such errors from occurring in the future.

These patient safety organizations will be empowered to compile reports on errors and near-misses, determine the causes of these errors or near-errors, identify the changes that need to be made to the health care delivery system to prevent errors in the future, and implement needed changes. Their work will be invaluable in identifying national trends on medical errors and recommending how to prevent them.

The legislation encourages providers to share information about medical mistakes by preventing the information that they have created specifically to report to patient safety organizations from being used against them. The legislation would establish a framework for keeping medical errors from occurring in the future, and implement needed changes. Their work will be invaluable in identifying national trends on medical errors and recommending how to prevent them.

The bill does not shield other information outside this patient safety work product from use in court cases. I believe it strikes an appropriate balance between encouraging the reporting of valuable information, which will be used to save lives, and safeguarding the ability of individuals to access necessary information to seek judicial relief when appropriate.

I believe that Congress must pass the Patient Safety and Quality Improvement Act to encourage the voluntary reporting of information on medical errors. Doing so will help create a culture of awareness to expose and address systemic causes of errors instead of continuing the culture of blame which hides and perpetuates them.

Mr. Speaker, I want to thank several individuals: Chairman of the Committee on Energy and Commerce, the gentleman from Texas (Mr. BARTON); and the chairman of the Subcommittee on Health, the gentleman from Georgia (Mr. DEAL). They have shared my commitment to making medical errors as rare as possible and minimizing the harm that could be caused by them. I want to thank the ranking member, the gentleman from Michigan (Mr. DINGELL), and the subcommittee ranking member, the
Mr. Speaker, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD).

Mr. NOREY of Ohio. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of the Patient Safety and Quality Improvement Act of 2005. I am a proud cosponsor of this bill, and I know that this is a bill that the gentleman from Florida (Mr. BILIRAKIS), has been working on for at least 5 years. And so now I am happy to see it finally come to the floor and will become law, hopefully.

Mr. Speaker, we must acknowledge that any error that causes harm to a patient is one too many. While our health care system may never be perfect, we must strive for the best care for the patients of this country.

I am happy that this legislation begins to improve the ability to connect information about errors and near-errors between doctors, researchers, and patients.

Mr. Speaker, I also want to thank member, the gentleman from Michigan (Mr. DINGELL), along with the chairman of the committee and I think it will go a long way to getting us on that road, about on the floor this week, this is the only one that is really addressing the serious problem in our health care system.

We stand here in the well of the House, all of us from both sides of the aisle, pontificating about the high cost of care, malpractice rates, access to prescription drugs, or the uninsured. All of these are serious problems with big negative impacts on people, but these issues are all symptomatic of a real problem in health care. Our system is not set up to get the right care at the right time to the right people.

Mr. Speaker, I urge all our colleagues to support the Patient Safety and Quality Improvement Act.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 3 minutes.

This legislation is intended to overcome that obstacle. To reduce the number of medical errors, we need to understand what causes them and address those causes. Accurate and complete information on medical errors is the first step. H.R. 3205, or S. 544, creates a secure voluntary medical error reporting system. The system is carefully crafted to encourage information-sharing without undermining the ability of patients to obtain justice when they are harmed and to help the health care system identify the root causes of medical errors without hindering the prosecution of criminal acts.

My friend, the gentleman from Florida (Mr. BILIRAKIS), and I have been working on this legislation for several years. I appreciate his leadership on this issue, as well as that of the subcommittee chairman, the gentleman from Georgia (Mr. DEAL), and our ranking member on the full committee, the gentleman from Michigan (Mr. DINGELL), along with the chairman of the full committee, the gentleman from Texas (Mr. BARTON).

I would also like to commend committee staff on both sides of the aisle for their hard work to reach a solid bipartisan compromise on this bill. H.R. 3205/S. 544 will strengthen our health care system and save lives, and I urge my colleagues' support of this measure.

Mr. Speaker, I would like to thank the gentleman from Ohio (Mr. BROWN) for his leadership in this area, as well as the gentleman from Florida (Mr. BILIRAKIS) for his, in addition to the committee chairman, the gentleman from Texas (Mr. BARTON), and the ranking member, the gentleman from Michigan (Mr. DINGELL).

Of the many bills we are talking about on the floor this week, this is the only one that is really addressing the serious problem in our health care system. We stand here in the well of the House, all of us from both sides of the aisle, pontificating about the high cost of care, malpractice rates, access to prescription drugs, or the uninsured. All of these are serious problems with big negative impacts on people, but these issues are all symptomatic of a real problem in health care. Our system is not set up to get the right care at the right time to the right people.

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Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. BILIRAKIS), who has been a strong advocate during his several terms in Congress for patient safety and for patients generally.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I would like to thank the gentleman from Ohio (Mr. BROWN) for his leadership in this area, as well as the gentleman from Florida (Mr. BILIRAKIS) for his, in addition to the committee chairman, the gentleman from Texas (Mr. BARTON), and the ranking member, the gentleman from Michigan (Mr. DINGELL).

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or dollars anywhere in the country, and yet they cannot get their medical record to the doctor that they need to have that medical record so that physician can make the right decision based upon all of the information that is there about their background, and that we also have to understand there are drug overdoses because of lack of being able to read the orders. As is too often the case, we not only have people die, but also seriously injure.

One instance, a little girl named Josie King in Baltimore was seriously scalded when she went into the bathtub and the tub was too hot. Her mother took her to the hospital, and she got the best care because this country has the best health care in the world. She had the best professionals because this country has the best professionals in the world. But when it came to the system, the system is what is broken, and this system lets Josie King down to the point where, given the area of care she needed medication because her physician did not have the right information before him. As a result, Josie King was in a coma and eventually had to be removed from life support.

Mr. Speaker, we need to learn from these tragedies if we are to prevent them in the future. This legislation moves us down that path. I ask my colleagues to support this legislation.

Mr. DEAL of Georgia. Mr. Speaker, I yield the gentlewoman from Texas (Mrs. BURGESS), a member of the Subcommittee on Health.

Mrs. BURGESS. Mr. Speaker, I thank the gentleman for yielding me this time, and thank the gentleman from Florida (Mr. BILIRAKIS) for his leadership, and the gentleman from Texas (Chairman BARTON), who is always evenhanded, played a big role in us finally getting this bill to the floor. I thank the ranking member, the gentleman from Ohio (Mr. BROWN), for his work on this bill as well.

Mr. Speaker, this is an important bill before us today. As a physician, I know that in order to improve safety, we have got to report errors. The gentleman from Georgia (Mr. NORWOOD) just pointed out how if you do not report the error, you cannot learn from the mistake and never prevent it from happening again.

We have an environment right now that punishes doctors for perceived or actual mistakes by lawsuits and regulations, and it has become nearly impossible to encourage true transparency in the practice of medicine. This opacity has not served anyone well with the possible exception of the medical liability bar. Now, we now have a situation where, the United States Congress has finally come to an agreement on a level-headed approach to error reporting and will set quality standards in medicine. I believe this bill will be the first assault on the culture of fear that has permeated medicine for years that has permeated medicine for years and will set quality standards in medicine. This opacity has not served anyone well with the possible exception of the medical liability bar.

The Committee has been working for many years on legislation to bring forward the building blocks of this system, and in the 108th Congress, we successfully passed bipartisan legislation in the House. Only this Congress, however, did we successfully reach a compromise with our colleagues in the Senate. I am pleased that today we will finally pass the Patient Safety and Quality Improvement Act of 2005, with the expectation that it will be enacted into law.

Mr. DINGELL. Mr. Speaker, in 1999, the Institute of Medicine (IOM) reported that as many as 98,000 people are estimated to die annually as a result of medical errors. The IOM recommended several changes, including the creation of a patient safety reporting system that would allow health care service providers to report information about medical errors in a non-punitive environment. This information would be reviewed by a patient safety organization that would then help providers learn from their mistakes without fear of retribution.

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Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 544 is identical to the bill that passed out of the Committee on Emergency and Commerce, H.R. 3205. Therefore, the committee report we will be filing based on H.R. 3205 is directly relevant to S. 544. I wanted that part of the record to be filed.

Mr. DINGELL. The Senate companion bill to H.R. 3205, contains the same language as the House bill approved unanimously by the Committee on Energy and Commerce last week. The goal of H.R. 3205 is to set up an error reporting system for health care providers that brings real improvements in patient safety and the quality of health care. It will also help ensure accountability by raising standards and creating the expectation for continuous quality improvements in patient safety. This bill achieves these goals by creating a helpful and non-punitive atmosphere for health care professionals to voluntarily report the entities specialized in patient safety and quality improvement. Yet, it continues to allow public access to information that is available today. Patient safety organizations will receive information about medical errors and then evaluate trends, such as infection rates and other quality measures, within provider organizations. This will help providers learn to avoid such errors in the future.

This is excellent and important legislation, and I urge its adoption.

Mr. DOOLITTLE. Mr. Speaker, I rise today to support the legislation introduced by my colleague from Vermont which, understandably, enjoys bipartisan support.

Last year, President Bush called for the majority of Americans to have electronic health records within 10 years and established the role of the National Coordinator for Health Information Technology to help realize this target. The Patient Safety and Quality Improvement Act 2005 is a critical step toward this important goal and the nation’s overall vision of providing safer, efficient healthcare for all Americans.

I am proud to report that a healthcare leader in my district is ahead of the curve in pursuit of this vision. In response to the need for leading-edge technology, Adventist Health—a not-for-profit health care system headquartered in Roseville, California—made the decision to invest over $120,000,000 to implement a new state-of-the-art Clinical Information System for all their hospitals. Project Intellicare is a groundbreaking, historical initiative and an important first step toward fulfilling patients’ aspirations for safe, effective health care.

Long before the concept of healthcare information technology was being discussed nationally, Adventist Health committed to implementing this system—one of the largest single capital investments the health care system has ever made. I think it is extremely important that we support this legislation today. By establishing the refined goals in this area with legislation like this, we allow health care providers like Adventist Health to easily adapt programs and projects that support patient safety and quality.

It would be my hope—and good public policy—that officials at the Department of Health and Human Services work with Adventist Health and other health care providers to support the legislation introduced by my colleague from Georgia (Mr. DEAL) that the House should pass and that the Senate will take up. I am proud of what Adventist Health is accomplishing in California. I look forward working with Secretary Leavitt and the Department of Health and Human Services to assist in the implementation of Health Information Technology on a national level.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I urge the adoption of this bill, and I urge back the balance of my time.

The SPEAKER pro tempore (Mr. CULBERSON). The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and pass the Senate bill, S. 544.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative for the bill. The yeas and nays were ordered.
The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

DRUG ADDICTION TREATMENT EXPANSION ACT

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 45) to amend the Controlled Substance Act to lift the patient limitation on prescribing drug addiction treatments by medical practitioners in group practices, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MAINTENANCE OR DETOXIFICATION TREATMENT WITH CERTAIN NARCOTIC DRUGS: ELIMINATION OF 30-PATIENT LIMIT FOR GROUP PRACTICES.

(a) IN GENERAL.—Section 303(g)(2)(B) of the Controlled Substance Act (21 U.S.C. 823(g)(2)(B)) is amended by striking clause (iv).

(b) CONFORMING AMENDMENT.—Section 303(g)(2)(B) of the Controlled Substance Act (21 U.S.C. 823(g)(2)(B)) is amended in clause (ii) by striking “in any case” and all that follows through “the total” and inserting “the total”.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. DEAL) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

GENERAL LEAVE

Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to prepare reprints and extend their remarks and include extraneous material in the consideration of this Senate bill.

The SPEAKER pro tempore. There was no objection.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the Speaker for allowing us to consider the Drug Addiction Treatment Expansion Act. S. 45.

In 2000, Congress passed the Drug Addiction Treatment Act which has resulted in improved access to drug abuse treatment. This law has allowed qualified practitioners to prescribe addiction treatment medications from their office settings so long as the number of patients to whom the practitioner provides such treatment does not exceed 30 patients.

However, the Drug Addiction Treatment Act also limited the number of patients any one doctor could treat to 30 as well. This limitation has created an unnecessary barrier to access to drug addiction therapy. Under current law, a practice of 500 doctors would still be limited to treating only 30 patients in the same way as a single physician. This policy effectively limits the ability of patients to get access to treatment for their drug addictions.

This legislation before us today would lift the patient limit for group practices, but would still keep in place the 30-patient limit for individual physicians.

I thank the gentleman from Indiana (Mr. SOUDER) for his leadership on this legislation in that it ensures more access to needed addiction therapy. The Committee on Energy and Commerce and the Committee on the Judiciary have both favorably reported companion bills to S. 45, and I urge my colleagues to support this legislation today.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 2 minutes.

Drug addiction is a problem we must face both at the individual and the systemic level. We bear the cost of addiction as a society. These costs are measured in lives and unmet human potential; and, frankly, in dollars.

A recent study by the National Institutes of Health found the cost of drug abuse totaled some $100 billion a year, costs borne by all members of society by increased demand on our health care system and our criminal justice system.

H.R. 869, the Drug Addiction Treatment Expansion Act, addresses an anomaly in the current law that limits access to an effective drug addiction treatment.

To ensure proper oversight of drug addiction treatment, current law limits the number of patients any one doctor can treat. However, this restriction inadvertently limits group practices to the same 30-patient limit. This legislation clarifies that each doctor in a group practice is subject to the 30-patient limit, not the group practice as a whole.

This bill will expand access to effective addiction treatment. When we come together to fight addiction, we must use every means available. This bill gives doctors an improved and important tool. H.R. 869 has the support of a range of organizations, including the American Psychological Association and the Partnership for a Drug Free America. I am pleased to support its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana (Mr. SOUDER), who is the author of the House companion legislation.

Mr. SOUDER. Mr. Speaker, I thank the gentleman from Georgia, and I appreciate his leadership in moving this through his subcommittee. We worked together on the Drug Policy committee in Government Reform where he served ably as vice chairman before moving up to this important subcommittee chairmanship over in Energy and Commerce and understands directly the need for drug treatment.

Mr. Speaker, we can work for interdiction. We can work for eradication. We can work for enforcement. We can work to try to prevent drug use. But ultimately many people in America become addicted. The question is, How can we treat them? As has already been explained, this was an unintended consequence of the original act. I appreciate Senator Levin’s help on the Senate side in moving this bill that group practices were capped at 30 patients as well.

Between 1997 and 2000, the number of treatment admissions for primary heroin abuse increased 21 percent while treatment admissions for primary abuse of narcotic painkillers increased at an unprecedented rate. In view of the skyrocketing numbers of treatment admissions for primary opiate addiction in recent years, it is imperative that measures be taken at the Federal level to provide adequate treatment options. The epidemic of drug abuse in America, drug addiction treatment programs must effectively correspond to the widespread nature of this problem. In order to expand drug treatment programs, please support this bill, the Drug Addiction Treatment Expansion Act, which will remove the 30-patient limit currently imposed on group practices.

According to the American Medical Association, the current 30-patient cap has limited access to effective substance abuse treatment services. There is a broad consensus according to AMA in the medical community that buprenorphine is a major new tool to fight addiction and does not have a high potential for misuse or fatal overdose. Lifting the cap would enable group practices to treat more patients with this highly effective drug.

There are 49 different, well-respected drug treatment organizations that have supported this bill, including the American Medical Association, the National Association of State Alcohol and Drug Abuse Directors, the American Psychiatric Association, the American Psychological Association, the Association of American Medical Colleges, the American Academy of Family Physicians, the American Academy of General Psychiatry, the American College of Physicians, and the American College of Emergency Physicians.

And then in addition to all these medical groups, are almost all the major anti-drug groups in America, including the Partnership for a Drug-Free America, the Community Anti-Drug Coalitions of America, Drug-Free America, Drug-Free Schools Coalition, Drug Free America.
Foundation, the Save Our Society From Drugs, Drug-Free Kids, America’s Challenge.

I include this list of 49 groups for the RECORD.

American Medical Association (AMA)
National Association of State Alcohol and Drug Abuse Directors (NASADAD)
American Psychiatric Association (APA)
American Psychological Association (APA)
Association of American Medical Colleges (AAMC)
Alliance of Community Health Plans (ACHP)
American Osteopathic Academy of Addiction Medicine (AOAAM)
American Medical Group Association (AMGA)
American Academy of Addiction Psychiatry (AAAP)
Partnership for a Drug-Free America
Community Anti-Drug Coalitions of America (CADC)
American Society of Addiction Medicine (ASAM)
American Association for Medical Education and Research (AAMER)
American Academy of Pediatrics (AAP)
New York Academy of Medicine (NYAM)
American Bar Association (ABA)
Wisconsin Families in Action (WFIA)
National Alliance of Advocates for Addiction Professionals (NAAAP)
National Council on Alcoholism and Drug Dependence (NCADD)
State Associations of Addiction Services (SAAS)
American Association of Counties (NACO)
National Association of Counties and City Health Officials (NACCHO)
National Association of County Behavioral Health Directors (NACBH)
The College on Problem of Drug Dependence (CPDD)
The Friends of NIDA
Faces & Voices of Recovery
Association for Addiction Professionals of New York
Drug-Free Schools Coalition
Drug Free America Foundation, Inc. (DFAF)
Save Our Society From Drugs (SOS)
Drug-Free Kids: America’s Challenge
Advocates for Recovery Through Medicine (ARM)
National Families in Action (NFIA)
National Association of Social Workers (NASW)
Man Alive, Inc.
Institute on Global Drug Policy (IDGP)
International Scientific and Medical Forum on Drug Abuse
Californians For Drug-Free Youth (CAYF)
National Alliance of Advocates for Buprenorphine Treatment, Inc.
Christian Drug Education Center
New Jersey Federation for Drug Free Communities
Wisconsin Families in Action (WFIA)
New York Academy of Medicine (NYAM)
American Academy of Pediatrics (AAP)
Association for Medical Education and Research in Substance Abuse (AMERSA)
Physicians and Lawyers for National Drug Policy (PLNDP)
Entertainment Industries Council, Inc. (EIC)
The City of New York, New York
Providence Breakthrough
International Study Group Investigating Drugs as Reinsurers (ISGIDAR)
Housing Works

I think that we can unanimously support this bipartisan effort to make sure that we have another tool in an adequate way with group practices to make sure that we can treat the scourge of drug addiction and help many family members get back into their families, whether it be the mom, the dad, the kids; and this is the way we can in a bipartisan way and with the other side really are concerned about trying to address these difficult questions of drug treatment.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Speaker, I rise to first of all thank the gentleman from Indiana (Mr. SOUDER) for being so dogged on this issue. As we have heard already, this is a relatively simple item.

We have people who need treatment. I thought we were here to try to help people seek treatment and to provide it and we have an anomaly in the law that prevents them from getting the treatment that they want and that we want to provide them. This bill fixes that anomaly. It is very simple.

I will fully admit that I did not find this on my own. I found this because a doctor in my own district called me, Dr. Schmitt from Mass General Hospital, who works out of the Charles-town Community Health Center. He treats these people. He wants to be able to treat more. Unfortunately, he works in a group practice and is limited to 30.

He will be able to help more people in his own community, which will help the community as a whole.

This bill is a modest piece of legislation. It simply allows more people to be treated. It is not a panacea, it is not going to fix our drug problem, but it is going to increase access to these treatments.

I believe that all Americans want us to do for their sons and daughters who have fallen victim to the terrible sins of drug abuse.

Mr. Speaker, I urge the passage of this bill. Again, to repeat, I want to thank the gentleman from Indiana for his tenacious push of this bill.

Mr. DEAL of Georgia. Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. I thank the gentleman for yielding time.

Mr. Speaker, I rise today in support of S. 45, which amends the Controlled Substances Act to lift the patient limitation on prescribing drug addiction treatments by medical practitioners in group practices. This bill is the companion legislation to H.R. 869, which I have cosponsored.

On that subject, let me acknowledge the sponsorship of H.R. 869 by the distinguished gentleman from Indiana (Mr. SOUDER).

As Chair and myself as ranking member of the House Government Reform Subcommittee on Criminal Justice, Drug Policy and Human Resources, we have worked tirelessly on the issue and are pleased to have it considered on the floor today.

In 2000, Congress passed the Drug Addiction Treatment Act, otherwise known as DATA, to expand treatment options for patients addicted to opiates. To address concerns about potential abuse or diversion of the treatment medications, DATA limited the prescription of this drug to 30 patients per physician. Unfortunately, DATA also included a 30-patient cap on group practices in addition to the limit per physician. This resulted in an unintended effect of limiting large group practices such as that of Johns Hopkins Medical Center in my district from meeting high demand for drug treatment. However, S. 45 would eliminate this disparity by removing the 30-patient limit imposed on group practices, thereby expanding access to treatment for all patients regardless of where they receive their medical care.

S. 45 is especially important for my district which includes Baltimore City. According to the latest data available, Baltimore has the third highest rate per 100,000 people of heroin-related admissions among all metropolitan areas reporting this information. Further, Baltimore’s heroin use ranked at 195, which is much higher than the national rate of 37. Heroin abuse counted for the most drug treatment admissions to publicly funded facilities in the city from July 1, 2001, through June 30, 2002. In addition, mortality data indicate that there were 349 heroin/morphine-related deaths in the Baltimore metropolitan area in 2001, more than for any other illicit drug.

I must also note heroin abuse via injection has contributed significantly to the number of HIV cases in the Baltimore area. S. 45 would greatly reduce these numbers by increasing the availability of treatment medications such as buprenorphine or “bup” in institutions such as teaching hospitals and community health clinics. Treatment medications such as buprenorphine will allow more people to remain productive while trying to overcome their drug addiction.

Experts say that buprenorphine patients are more clearheaded than methadone and produces less intense withdrawal symptoms. They point out that in the brain, buprenorphine behaves like heroin but works more slowly and less efficiently than other opiates. In other words, this specific treatment reduces or eliminates withdrawal symptoms without producing euphoria.

When we passed the law in 2000, our legislation limited bup’s availability because we wanted to avoid the creation of prescription-writing mills. It is important to note that this bill will not open prescription-writing mills. Rather, it would expand access so that more physicians in large group practices would be able to prescribe the drug.

I urge my colleagues to support S. 45. This is an important piece of legislation.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.
Mr. DEAL of Georgia. Mr. Speaker, I would simply urge my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CULBERTSON). The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and pass the Senate bill, S. 45.

Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The yeas and nays were ordered.

The yeas and nays were ordered.

The yeas and nays were ordered.

NATIONAL ALL SCHEDULES PRESCRIPTION ELECTRONIC REPORTING ACT OF 2005

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1132) to provide for the establishment of a controlled substance monitoring program in each State, as amended.

The Clerk read as follows:

H.R. 1132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.

This Act may be cited as the “National All Schedules Prescription Electronic Reporting Act of 2005.”

SEC. 2. PURPOSE.

It is the purpose of this Act to—

(1) foster the establishment of State-administered controlled substance monitoring systems in order to provide that health care providers have access to the accurate, timely prescription history information that they may use as a tool for the early identification of patients with a history of addiction in order to initiate appropriate medical interventions and avert the tragic personal, family, and community consequences of untreated addiction; and

(2) establish, based on the experiences of existing State controlled substance monitoring programs, a set of best practices to guide the establishment of new State programs and the improvement of existing programs.

SEC. 3. CONTROLLED SUBSTANCE MONITORING PROGRAMS.

Part P of title III of the Public Health Service Act (42 U.S.C. 280g et seq.) is amended by adding after section 399N the following:

SEC. 399O. CONTROLLED SUBSTANCE MONITORING PROGRAM.

“(a) Grants.—

“(1) IN GENERAL.—Each fiscal year, the Secretary shall award a grant to each State with an application approved under this section an amount that equals 1.0 percent of the amount appropriated to carry out this section for that fiscal year.

“(2) ADDITIONAL AMOUNTS.—In making payments under a grant under paragraph (1) for a fiscal year, the Secretary shall allocate to each State an additional amount which bears the same ratio to the amount appropriated to carry out this section for that fiscal year as the number of pharmacies of the State bears to the number of pharmacies of all States with applications approved under this section (as determined by the Secretary), except that the Secretary may adjust the amount allocated to a State under this subparagraph after taking into consideration the budget cost estimate for the State’s controlled substance monitoring program.

“(b) DEVELOPMENT OF MINIMUM REQUIREMENTS.—The Secretary shall adopt, under this section, and not later than 6 months after the date on which funds are first appropriated to carry out this section, proposed minimum requirements for criteria to be used by States for purposes of clauses (ii), (v), (vi), and (vii) of subsection (c)(1)(A).

“(c) APPLICATION APPROVAL PROCEDE.—

“(1) IN GENERAL.—To be eligible to receive a grant under this subsection, a State shall submit an application to the Secretary at such time, in such manner, and containing such assurances and information as the Secretary may require. Each such application shall include—

“(A) with respect to a State that intends to use funds under the grant as provided for in subsection (a)(1),—

“(i) a budget cost estimate for the controlled substance monitoring program to be implemented under the grant;

“(ii) criteria for the use and disclosure of information maintained in such program, including the electronic format requirement of subsection (h); and

“(iii) assurances of compliance with all requirements of this section or a statement describing why such compliance is not feasible or is contrary to the best interests of public health in such State.

“(2) STATE LEGISLATION.—As part of an application under paragraph (1), the Secretary shall require a State to demonstrate that the State has enacted legislation or regulations to permit the implementation of the State controlled substance monitoring program and the imposition of or appropriate penalties for the unauthorized use and disclosure of information maintained in such program.

“(3) INTEROPERABILITY.—If a State that submits an application in connection with an application under this section (A) the State in which such border State is located is not in compliance with the criteria and penalty requirements described in clauses (ii), (iv), (v), (vi), and (vii) of subparagraph (A); or

“(B) the dispensing of a controlled substance to an ultimate user as defined by the Secretary for purposes of clauses (ii), (v), (vi), and (vii) of subsection (c)(1)(A) is not approved for purposes of section 399O of title 21 after the date on which such application is submitted.

“(4) APPROVAL.—If a State submits an application in accordance with this subsection, the Secretary shall approve such application.

“(5) RETURN OF FUNDS.—If the Secretary withdraws approval of a State’s application under this section, or if the State chooses to cease to implement or improve a controlled substance monitoring program under this section, a funding agreement for the receipt of grant funds under this section shall be terminated, and the Secretary shall return to the Secretary an amount which bears the same ratio to the overall grant as the remaining time period for which such grant is in effect bears to the overall time period for expending the grant (as specified by the Secretary at the time of the grant).

“(d) REPORTING REQUIREMENTS.—In implementing or improving a controlled substance monitoring program under this section, a State shall comply, or with respect to a State that applies for a grant under section (a)(1) submit to the Secretary for approval a statement of why such compliance is not feasible or is contrary to the best interests of public health in such State, with the following:

“(1) The State shall require dispensers to report to such State each dispensing in the State of a controlled substance to an ultimate user not later than 1 week after the date of such dispensing.

“(2) The State may exclude from the reporting requirement of this subsection—

“(A) the direct administration of a controlled substance to the body of an ultimate user;

“(B) the dispensing of a controlled substance in a quantity limited to an amount adequate to treat the ultimate user involved for 48 hours or less;

“(C) the administration or dispensing of a controlled substance in accordance with any
other exclusion identified by the Secretary for purposes of this paragraph.

"(3) The information to be reported under this subsection with respect to the dispensing of a controlled substance shall include the following:

"(A) Drug Enforcement Administration Registration Number (or other identifying number or data item in lieu of such Registration Number) of the dispenser.

"(B) Drug Enforcement Administration Registration Number (or other identifying number or data item in lieu of such Registration Number) and name of the practitioner who prescribed the drug.

"(C) Name, address, and telephone number of the person for such contact information of the ultimate user as the Secretary determines appropriate.

"(D) Identification of the drug by a national drug code number.

"(E) Quantity dispensed.

"(F) Number of refills ordered.

"(G) Whether the drug was dispensed as a refill of a prescription or as a first-time request.

"(H) Date of the dispensing.

"(1) Date of origin of the prescription.

"(J) Information as may be required by State law to be reported under this subsection.

"(4) The State shall require dispensers to report information under this section in accordance with the electronic format specified by the Secretary under subsection (h), except that the State may waive the requirement of such format with respect to an individual dispenser that is unable to submit such information by electronic means.

"(e) DATABASE.—In implementing or improving a controlled substance monitoring program under this section, a State shall comply with the following:

"(1) The State shall establish and maintain an electronic database containing the information reported to the State under subsection (d).

"(2) The database must be searchable by any field or combination of fields.

"(3) The State shall include reported information in the database in a manner consistent with criteria established by the Secretary, including any local, State, or Federal law enforcement, narcotics control, licensing and interested stakeholders, a State receiv- 

"(f) USE AND DISCLOSURE OF INFORMATION.—

"(1) IN GENERAL.—Subject to subsection (g), in implementing or improving a controlled substance monitoring program under this section, a State may disclose information from the database established under subsection (e) and, in the case of a request under subparagraph (D), summary statistics of such information, only in response to a request for such information.

"(A) a practitioner (or the agent thereof) who certifies, under the procedures determined by the State, that the requested information is for the purpose of providing medical or pharmaceutical treatment or evaluating the need for such treatment to a bona fide current patient; 

"(B) any local, State, or Federal law enforcement, narcotics control, licens- 

"(C) the controlled substance monitoring program of another State or group of States with whom the State has established an interoperability agreement; 

"(D) any department, agency, or unit of the Department of Health and Human Services, a State med- 

"(2) PROGRESS REPORT.—In consultation with practitioners, dispensers, and other relevant and interested stakeholders, a State receiving a grant under subsection (a) shall prepare and submit a progress report that the State, based on a review of existing data on the criteria used by the Secretary, has determined whether such penalties are appropriate pursuant to this section; 

"(G) LIMITATIONS.—In implementing or improving a controlled substance monitoring program under this section, a State shall—

"(1) limit the information provided pursuant to a valid request under subsection (f)(1) to the minimum necessary to accomplish the intended purpose of the request; and

"(2) limit information provided in response to a request under subsection (f)(1) to nonidentifiable data.

"(h) ELECTRONIC FORMAT.—The Secretary shall specify a uniform electronic format for the reporting, sharing, and disclosure of information under this section.

"(i) RULES OF CONSTRUCTION.—

"(1) FUNCTIONS OTHERWISE AUTHORIZED BY LAW.—Nothing in this section shall be con- 

"(2) NO PREEMPTION.—Nothing in this section shall preempt any State law, except that such law may not preemp- 

"(3) ADMINISTRATIVE PREROGATIVES.—The databases maintained by the State under subsection (e) may not be used in such a manner as to interfere with the lawful diversion or misuse of controlled substances and shall be maintained in the manner prescribed by such law.

"(4) FEDERAL PRIVACY REQUIREMENTS.—Nothing in this section shall be construed to supersede any Federal privacy or confiden- 

"(5) FEDERAL PRIVACY CAUSE OF ACTION.—Nothing in this section shall be con-
(k) **PREPARER.** Beginning 3 years after the date on which funds are first appropriated to carry out this section, the Secretary, in awarding any competitive grant that is made to a State (as determined by the Secretary) and for which only States are eligible to apply, shall give preference to any proposal submitted under this section. The Secretary shall have the discretion to apply such preference to States with existing controlled substance monitoring programs that meet minimum requirements under this section or to States that put forth a good faith effort to meet those requirements (as determined by the Secretary).

(1) **ADVISORY COUNCIL.**

(1) **EVALUATION.** A State may establish a State controlled substance information system in accordance with this section.

(2) **LIMITATION.** A State may not use amounts received under a grant under this section for the operations of an advisory council established under paragraph (1).

(3) **SENSITIVITY.**—It is the sense of the Congress that, in establishing an advisory council under this subsection, a State should consult with appropriate professional boards and other interested parties.

(4) **DEFINITIONS.**—For purposes of this section:

(1) The term "bons de fide patient" means an individual who is a patient of the practitioner involved.

(2) The term "controlled substance" means a drug that is included in schedule II, III, or IV of section 205(c) of the Controlled Substance Act.

(3) The term "dispense" means to deliver a controlled substance to an ultimate user by, or pursuant to the lawful order of, a practitioner, irrespective of whether the dispenser uses the Internet or other means to effect such delivery.

(4) The term "dispenser" means a physician, pharmacist, or other person that dispenses a controlled substance to an ultimate user.

(5) The term "interoperability" with respect to a State controlled substance monitoring program means the ability of the program to electronically share reporting information, including each of the required report components described in subsection (d), with another State if the information concerns either the controlled substance prescribed to an ultimate user who resides in such other State, or the dispensing of a controlled substance prescribed by a practitioner whose principal place of business is located in such other State.

(6) The term "nonidentifiable information" means information that does not identify a practitioner, dispenser, or an ultimate user, and with respect to which there is no reasonable basis to believe that the information can be used to identify a practitioner, dispenser, or an ultimate user.

(7) The term "practitioner" means a physician, dentist, veterinarian, scientific investigator, pharmacist, hospital, or other person licensed, registered, or permitted otherwise to dispense or use Schedule II controlled substances or to drug abuse (as determined by the United States or the jurisdiction in which he or she practices or does research, to distribute, dispense, conduct research with respect to, or use in teaching or chemical analysis, a controlled substance in the course of professional practice or research.

(8) The term "State" means each of the 50 States and the District of Columbia.

(9) The term "ultimate user" means a person who has obtained from a practitioner, and who possesses or dispenses the controlled substance on his or her own, for the use of a member of his or her household, or for the use of an animal owned by him or her or by a member of his or her household.

(10) **AUTHORIZATION OF APPROPRIATIONS.**

To carry out this section, there are authorized to be appropriated:

(a) $15,000,000 for each of fiscal years 2006 and 2007; and

(b) $20,000,000 for each of fiscal years 2008, 2009, and 2010.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. DEAL) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

**GENERAL LEAVE**

Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are facing a growing national health care crisis involving the abuse of prescription drugs. Earlier this month, Columbia University released a report that showed that more Americans are now abusing controlled prescription drugs than cocaine, hallucinogens, inhalants and heroin combined. The report also stated the number of Americans who admit abusing prescription drugs nearly doubled to over 10 percent from 2001 to 2003, while abuse among teens has tripled. H.R. 1132 will provide immediate assistance to States to help them reduce prescription drug abuse. The bill will provide new funding to help States establish and operate data systems that will allow physicians to detect and prevent prescription drug abuse.

Physicians are on the front line of providing care to patients and understand the need to stop prescription drug abuse. H.R. 1132 will provide physicians with the tools they need to learn when their patients attempt to obtain multiple prescriptions for addictive drugs. The bill will also allow physicians to continue to provide proper medication therapy to their patients. This is why groups like the American Medical Association, the American Society of Anesthesiologists, and the American Society of Interventional Pain Physicians all support this legislation.

I would like to thank the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from Georgia (Mr. NORWOOD), the gentleman from New Jersey (Mr. STRICKLAND), and the gentleman from Ohio (Mr. STRICKLAND), members of the Energy and Commerce Committee, for their efforts on this bill. As a result of their hard work, the bill has been strengthened and improved from last year when the House approved similar legislation by voice vote.

Among the many improvements are requirements that drug monitoring programs meet new standards for the security of information handling, availability of information, limitations on access to the database, and procedures to ensure database accuracy.

I would also like to thank the staff of the Energy and Commerce Committee for their hard work and in particular thank Ryan Long and John Ford for their efforts to negotiate a bipartisan agreement on this bill. H.R. 1132 will allow States to reduce the improper abuse of prescription drugs and ensure that monitoring programs can communicate with each other to stifle interstate drug diversion. I urge my colleagues to support this needed legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 3 minutes.

Prescription pain relievers, stimulants, and other controlled substances play a crucial role in health care; but when misused, these same medicines can be enormously destructive. Some are addictive. Some are life-threatening. Many are prescribed to people whose medicines proliferate, so, unfortunately, does the risk of misuse. Over the last decade, use of prescription pain relievers increased by almost 200 percent while the use of stimulants increased by over 400 percent. An estimated 6.2 million Americans misuse prescription medications for nonmedical purposes.

In 1999, a quarter of those taking prescription drugs for nonmedical purposes were new users. In other words, this problem is not just growing, it is exploding. To combat this abuse, physicians and pharmacists need information. This legislation, the culmination of hard work and compromise, as the gentleman from Georgia pointed out, by the gentleman from New Jersey (Mr. PALLONE), the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from Georgia (Mr. NORWOOD), and the gentleman from Ohio (Mr. STRICKLAND), will provide the information and coordination necessary to stem the misuse of prescription medicines.

The legislation creates grants to establish State-run programs for prescription monitoring that will be administered and coordinated at the Federal level. Over 20 States currently have such a program in place or are working to develop one. Fighting prescription abuse users is a difficult problem that requires doctors and law enforcement authorities to acquire and share information. For this reason, groups like the American Medical Association and the American Society of Interventional Pain Physicians have lent their endorsement to this bill. I believe this bill is an important step forward in this fight and am pleased to support it. Mr. Speaker, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. NORWOOD).
Mr. NORWOOD. I thank my friend for yielding me the time.

Mr. Speaker, this is a bill that we have been working hard to get passed for some time now. I would like to begin by really thanking all the people who have helped us get this bill on the floor. The gentleman from Kentucky (Mr. WHITFIELD) and his staff have just done amazing work. A few years ago, I had a bill like this and the gentleman from Kentucky had a bill like this and it shows that we can work together. We merged our bills and came up with the good product today. I do appreciate the efforts of our Democratic cosponsors, the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Ohio (Mr. STRICKLAND). I would like to also thank Chairman Barton and Chairman DEAL and Ranking Members DINGELL and BROWN for recognizing the importance of this issue and helping us move forward.

Mr. Speaker, prescription drug abuse in this country is a serious problem. I know it. I have seen it. It is a subject with which I have some experience. I experienced it first hand while I was treating wounded soldiers. I experienced it in my dental practice. Some say there is no such thing as doctor-shopping. That is pure nonsense. I have seen it many times in my own life. I have experienced it after a car wreck. I feel strongly that we do not do a good enough job in this country to alleviate pain, and morally and ethically we should. But if we do not deal with this misuse of prescription drugs, we are going to have less pain relief than more.

I also know that the drugs that relieve the most severe pain can always, almost always, be the most dangerous. They can create a dependency. They can be diverted by the abusers. We have no way to find out who is treating drug abuse without in any way dampening the ability of doctors to treat their patients in severe pain.

In fact, the abuse and diversion of prescription drugs is a growing public health issue for this Nation, and we need to recognize it and understand it.

From major cities to the smallest rural towns, we have had to deal with the consequences of prescription drug abuse. Prescription drugs now rank second only to marijuana in abuse. Think about that. Over 31 million American adults and adolescents have at one time abused pain relievers. Prescription medications are emerging as the drugs of choice for abuse by America’s teenagers. According to a national study released earlier this year, approximately one in five teenagers, that is over 4 million of our sons and daughters, have abused prescription painkillers. Surveys also show that they abuse them because they can, because our current system simply too easy. Mr. Speaker, those numbers are appalling. But there are human faces behind each headline and report of abuse.

Their families and their communities suffer along with those who become addicted.

Those who help divert drugs allow these medications to get into the hands of our children as well as adults who have no medical need for them. Physicians have recognized the tremendous benefit State programs in place today are already having, and they have lined up behind our legislation because we could cross State lines.

In an effort to address the problem of prescription drug abuse, 21 States have implemented prescription drug monitoring programs. They are in place today. But in our case, if we have one in Georgia, right across the river in South Carolina we cannot deal with it. In a prescription drug monitoring program, pharmacists are required to provide a standard set of information to a State database when dispensing a controlled substance. The administrator of the State database can then alert appropriate authorities if data indicates abuse or diversion.

A doctor or a pharmacist can check that database to see if a patient could be abusing a prescription drug. Think about it. There are other great consequences of the confidentiality of, and access to, the information is protected to the best of our ability, and we think it has been done very well. We have worked very hard on that to try to get privacy rights. H.R. 1132 is a bill that would allow the Secretary of Health and Human Services to fund more of these State-monitoring programs. In exchange for Federal funding, the States agree to set up these programs if they do not have them or, if they do have them, improve the ones they already have.

But there must be some basic Federal standards. Border States must also be able to communicate. This closes a serious loophole in States’ current efforts against abuse. If an abuser can simply cross a State line to avoid detection, the monitoring system cannot work; or if an abuser is doctor-shopping, as I have seen happen, it is very hard to catch him. Through this bill we are encouraging all the States to get on board with a system that works while respecting States’ rights and people’s privacy.

I ask and encourage all of our colleagues to join us in supporting this very important bill.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. STUPAK), on the Committee on Energy and Commerce.

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding me this time.

Since 2001, I have been an original co-sponsor of the National All Schedules Prescription Electronic Reporting Act, or NASPER, as we call it; and I rise today in strong support of its passage. I want to thank the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from New Jersey (Mr. PALLONE), the gentleman from Ohio (Mr. STRICKLAND), the gentleman from Ohio (Mr. BROWN), and the gentleman from Georgia (Mr. NORWOOD) for their leadership on this issue. I would also like to recognize the valuable input of the stakeholders, including the States and physician groups, including the American Society of Interventional Pain Physicians.

The prescription drug abuse problem is growing at an alarming rate. According to a new report by Columbia University, between 1992 and 2003 the number of people abusing prescription drugs jumped 94 percent. Prescription drugs are now the fourth most abused substance in America, behind only marijuana, alcohol, and tobacco.

“Particularly alarming,” the authors write, “is the 212 percent increase in the number of 12 to 17 year olds abusing controlled prescription drugs and the increasing number of teens trying these drugs for the first time.”

Today, Congress has taken an important first step towards addressing this huge and growing problem by ensuring that all schedule II, schedule III and schedule IV controlled substances are prescribed safely.

The NASPER Act builds on efforts already underway in many States, including my home State of Michigan, to create electronic monitoring systems. The Government Accounting Office, GAO, found in 2002 that these systems help health care providers ensure that patients are not overprescribed powerful, potentially addictive prescription drugs.

The NASPER Act also addresses the problem of people going to other States to circumvent one State’s tracking system. This loophole was also identified by the GAO. The NASPER Act will strengthen the ability of practitioners in other States to contact each other and make sure they are not overprescribing these drugs.

To conclude, Mr. Speaker, this is a good bill. NASPER is more necessary than ever, and now is the time for Congress to pass it and for President Bush to sign it.

Mr. DEAL of Georgia. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. WHITFIELD), who is one of the leaders on the drafting of the House counterpart to this legislation.

Mr. WHITFIELD. Mr. Speaker, I thank the gentleman for yielding me this time to give me an opportunity to speak on behalf of H.R. 1132, the National All Schedules Prescription Electronic Reporting Act of 2005.

Mr. Speaker, the gentleman from Georgia (Chairman DEAL) referred to the study at Columbia University noting the increase in abuse of prescription drugs in this country, and I would point out that one of the most disturbing aspects of the report out of Columbia University was the finding that a disturbing number of children between the ages of 12 and 17 are now abusing prescription drugs. So with this legislation today, we have
the opportunity to combat this problem not only with children but also with adults around the country.

I would also mention that, and I think someone has already referred to this, that 20 States are already operating electronic prescription drug monitoring programs. In 2002, the Department of Justice, in response to the seriousness of the problem of prescription drug abuse, more than 20 States, including Massachusetts, have taken steps to prevent such abuse through the establishment of reporting requirements on pharmacists and the creation of drug monitoring databases similar to those contemplated by H.R. 1132. In Massachusetts, for example, pharmacies are required to report the prescriptions they fill for substances in Schedules I and II to the State's department of Public Health.

The problem is that H.R. 1132 does not provide the safeguards that are required to shield patients—the vast majority of whom will be law-abiding citizens receiving medications as part of a legitimate plan of care—from unauthorized disclosure of their personal medical information. Instead, the legislation provides that States broad leeway to establish databases of patients' private medical records with little guidance on the privacy protections that must be in place in order to qualify for the grants.

For example, H.R. 1132 permits disclosure of individually-identifiable patient information in the database to a wide range of professionals in addition to practitioners and law enforcement personnel, including any local, State or Federal “narcotics control, licensure, disciplinary or program authority” who can make specific certifications as to the need for access to the information. Any “agent of another state” with a monitoring program approved by the bill could also gain access to patient records in the database, provided that the purpose of the access is for “implementing the state's controlled substance monitoring program.” Such easy access puts the privacy of potentially hundreds of thousands of law-abiding citizens at risk of unauthorized disclosure.

Additional privacy protections that are missing from H.R. 1132 include: a requirement that States receiving grants under the bill periodically notify patients whose information in the database has been lost, stolen or used for an unauthorized purpose; a mandate that States inform patients before dispensing medications covered by the bill's reporting requirement that their name, address, and phone number will be stored in a State-run database, potentially in perpetuity, as a result of the dispensing of the medication; and a requirement that the States purge the database of information about any particular prescription after a limited amount of time has passed.

While I strongly support efforts to prevent the abuse of controlled substances, H.R. 1132 does not contain sufficient guidance to the states on the level of privacy protections that they must provide in the creation and maintenance of the databases authorized under this legislation. Since that breach of 145,000 personal records forms the databases of data profiler ChoicePoint in February 2005, 50 million records with private information have been leaked from public companies, hospitals, universities and other organizations. In response to this serious problem, the Energy and Commerce Committee, I offered a reasonable amendment to incorporate a fundamental privacy protection in the bill. My amendment was
Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. DEAN of Georgia. Mr. Speaker, I urge my colleagues to oppose H.R. 1132. Send it back to committee, where the needed privacy protections can be added. The important goals of this bill can be accomplished without sacrificing the privacy of law-abiding patients.

Mr. Speaker. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this important resolution. It supports the full participation of Iraqi women in the political, in the economic, and in the social life of a free Iraq on the path to democratic governance.

Today Iraq stands in stark contrast to Iraq under Saddam Hussein. While Saddam Hussein’s brutal regime indiscriminately slaughtered Iraqis, the new regime is more tolerant and more vulnerable. The notorious Fedayeen beheaded women in public, dumping their severed heads at their families’ footsteps. The regime used widespread rape to extract confessions from the detainees. Saddam Hussein’s legacy of terror knew no boundaries.

In assessing the progress achieved and the U.S. contributions to the empowerment of Iraqi women, I look to leaders such as Dr. Khuzai, who served as a member of the Iraqi Governing Council and the National Council on Women. After being prisoners in their own country for 35 years, Dr. Khuzai said, “For the Iraqi women, the morale is so high that you can’t even understand it unless you go and see. We will be grateful forever.”

I was fortunate, Mr. Speaker, to have the opportunity to visit Iraq as part of an historic all-female congressional delegation. We met with women from all sectors and all educational back-grounds, and the message we heard from all of these women was very clear, that they want a say, they want a role, they want to participate, and they want us to help them get there.

To achieve this end, the U.S. is helping Iraqi women reintegrate themselves into Iraqi society and to the outside world. The administration embarked on the Iraqi Women’s Democracy Initiative to train Iraqi women in the skills and practices of democratic public life. It also established the U.S. Iraqi Women’s Network, helping to mobilize the private sector in the United States and to link important resources here to critical needs on the ground.

The administration continues to provide assistance and sponsors programs that help Iraqi women develop in multiple areas, from literacy programs and vocational training to human rights education and election training.
Recently we saw the fruits of our efforts as countless Iraqi women went to the polls to have their voices heard. The resolution that we are considering here today, Mr. Speaker, highlights the many advances of the status of women in Iraq since Saddam’s depo-
sition, and particularly the fact that women today lead the Iraqi Ministries of Displacement and Migration, Tele-
communications, Municipalities and Public Works, Environment, Science and Technology, and Women’s Affairs.

However, as with every incumbent dem-
cracy, particularly in a country that does not have a history of demo-
cratic governance to pull from or a re-
gional basis of cooperation or compar-
ison, much more needs to be done. It is, therefore, important for the United States Congress to express support for the Iraqi constitutional process and share the wisdom of our own experi-
ence by underscoring the importance of securing equal rights for women in Iraq, of rights for all, and the overall constitutional framework.

This resolution does just that, Mr. Speaker, and I thank my colleagues, the gentlewoman from Texas (Ms. GRANGER) for introducing this important resolution. I also want to commend my colleagues who have worked on this, and I highlight the assistance of the gentle-
man from Illinois (Chairman HYDE), the gentleman from California (Rank-
ing Member LANTOS), and the leader-
ship of the gentleman from Texas (Mr. Speaker). I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I rise in strong support of this resolution, and I yield myself such time as I may con-
sume.

Mr. Speaker, I would like to congratulate and commend my good friend, the gentlewoman from Texas (Ms. GRANGER), our distinguished colle-
ague, for introducing this important resolution. I also want to commend the chairman of our Subcommittee on the Middle East, the gentlewoman from Florida (Ms. ROS-LEHTINEN), my good friend, for assisting in this very impor-
tant debate on the Republican side.

Mr. Speaker, we have all read with dismay reports of Iraqi constitutional drafts that diminish and derogate women’s rights to the dictates of cler-
ics and religious law. Our country and the other democratic countries in the coalition that continue to have their men and women fighting for freedom in Iraq cannot now remain silent as some seek to oppose equal rights for women in Iraq.

While the Iraqi people must decide the proper role of religion in their soci-
ety, we have been disturbed to hear re-
ports that some are proposing that Iraqi law would be governed by the Is-
lamic religious code. A country, Mr. Speaker, can be religious, yet reflect internationally accepted norms.

When the new Afghan Constitution was adopted, although it is far from
perfect from a Western perspective, it
does prohibit discrimination against
any citizen of Afghanistan, including, of course, women. The Afghan Con-
stitution provides that women and men have equal rights before the law. The Afghan Constitution also endorses Af-
ghanistan’s international obligations, and, therefore, the framework under uniform international standards, all this, Mr. Speaker, in a country that is dramatically more conservative than Iraq.

Now, fortunately, drafts of constitu-
tions are not final text, and I have every faith that the Iraqi people will allow good sense to prevail on this issue before the final text is submitted 2 weeks from now.

Similar issues arose about the role of religion during the drafting of the Transitional Administrative Law in Iraq last year. There was, for example, considerable concern about the prospect that Islamic law would be en-
shrined as the primary source of Iraqi legislation. For the most part, the powers of religion are regulated, and the Constitutional Administrative Law which emerged was bal-
anced and liberal in its nature.

In fact, as the resolution offered by our colleagues from Texas (Ms. GRANGER), points out, the Transi-
tional Administrative Law con-
tains an article ensuring Iraqis’ equal rights, prohibiting discrimination, without regard to gender. I have faith that Iraq’s Founding Fathers and Founding Mothers next month will af-
firm that wisdom from the Transi-
tional Administrative Law.

But I think it is important, Mr. Speaker, that our House of Represen-
tatives, speaking on behalf of the Ameri-
can people, affirm that wisdom as well. It is crucial that all Iraqis know that our commitment to their freedom and equality is unwavering and un-
quilted by religion, race, and gender. That is why I support, Mr. Speaker, this resolution very strongly, and I urge all of my colleagues to do like-
wise.

Mr. Speaker, I reserve the balance of my time.

Ms. GRANGER. Mr. Speaker, I yield 7 minutes to the gentlewoman from Texas (Ms. GRANGER), the author of this resolution.

Mr. Speaker, I have often had the opportunity to speak on this floor on important issues, but none more important than this, be-
cause today I am honored to sponsor this resolution in support of the rights of all Iraqis.

It has been said that a nation reveals its character by the values it upholds. In planting the seed of democracy in the deserts of the Middle East, the United States and our allies hope for a rich harvest of freedom for the people of Iraq. Having removed the dictator, the allies have moved to put Iraqis in con-

control of Iraq. Now, as they draft and ratify their Constitution, we will in-

deed see the character of a new Iraqi nation revealed through the principles it chooses to uphold.

That is why I urge the Iraqi Transi-
tional National Assembly to create a
government worthy of its people, a
government that represents every Iraqi from every corner of Iraq, be they Sunni or Shia, rich or poor, male or fe-

male.

Human rights are not a privilege granted by one or the other of the Bedford.

House or Senate. Human rights are entitled to all, and human rights, by de-

inition, include the rights of all hu-

mans, those in the dawn of life, the
dusk of life, or the shadows of life.

Mr. Speaker, the women of Iraq have waited long enough. Having been in the shadows of Saddam, Iraq, they are eager for the sunlight of a new nation and a new way of life. I have met these women, and I have felt their courage. I have spoken to them, and, more im-
portant, I have listened to them. I have heard more than their words; I have heard their dreams; dreams of a peace-
ful nation where they can raise their children and make decisions on their own and take part in society.

Mr. Speaker, a free nation must be based on human rights. Just as our Founding Fathers built a new Republic based on life, liberty, and the pursuit
of happiness, so, too, the Iraqi nation must choose to uphold the values of human rights for all. Indeed, most Iraqis still want freedom. It is quite an achievement. But to under-
stand where Iraq’s women are, consider where they have been.

In the run-up to the historic January 30 election, Iraqis insisted that every third name on the ballot had to be that of a woman. The result? Upon election, 31 percent of the Transitional National Assembly’s membership was female, nearly double the membership of the U.S. Congress.

By any definition, this would be quite an achievement. But to under-
stand where Iraq’s women are, consider where they have been. To know the horrors of Saddam, look at how Sad-

dam treated the most vulnerable. In Saddam’s Iraq, women were abused and assaulted, beaten and battered, raped and relegated to second-class citizens. In Saddam’s Iraq, women could not own property; they were property.

Truly, Saddam Hussein was a crimi-
nal crying out for international inter-
vention. And these are people, the Iraqi women, crying out for freedom.

History will record that Saddam got what he deserved. The question is, will Iraqi women get what they deserve, what they have earned, what they de-

mand?

When I met with 20 of these women just weeks before the January election, they explained that because they were women, they were virtual targets of the people trying to stop the elections, because they were running for office. More than half had had members of their families kidnapped or assas-

inated. Almost all had to have body-

guards. Many had been in exile for years because of their beliefs, their education, and their choice to have a career. Yet they persevered.

They persevered because they knew their elections were proof that freedom works, and they persevered because they knew that the more women elect-
ed, the less the chance of a Saddam-
style policy toward women would ever again come to Iraq.

Proudly, defiantly, and amazingly, these women had the courage of their convictions and changed history. Some of the very women we met with before the election who were so fearful of the outcome and proposed violence led their village walking miles to cast their votes.

Then weeks after that vote, I led another delegation to join 150 Iraqi women who were leaders in their communities and their sects who came to a conference to hear us talk about the principles and practices of democracy.

Women all over Iraq were given the opportunity to apply to be a part of that conference. Do the women of Iraq want democracy? Well, 1,200 of them signed applications hoping to be chosen for this conference. That is right: 1,200 Iraqi women put their names in a document stating who they were and where they lived, that they wanted to learn about democracy from the United States of America.

But while the election of so many Iraqi women last January gives us great hope, recent reports about the drafting of the constitution give us great concerns. With so many reports and rumors, perhaps it is best to take inventory of what we know, as well as what we fear.

We know that Islam allows for rights for women, but we fear the interpretation of religious law might unfairly discriminate against women. We know that a policy of equal rights for women in the constitution would safeguard Iraqi women today and for generations to come, but we fear that extremist elements might prevent the passage of such a constitutional protection.

And we note that the surest way to limit the future and the progress of Iraq is to limit the rights and protections of women. But we fear that women may not be allowed even basic rights on matters of marriage, divorce, economic opportunity, or political involvement.

Mr. Speaker, the people of Iraq deserve better and the women of Iraq demand more. Let me be blunt. American troops have come so far, sacrificed so much, persevered so long to see the tyranny of an unlawful dictator replaced by the tyranny of legal oppression for women. A free Iraq must be free for all, starting with women.

A democracy in the Middle East must be more than a democracy in name only; it must live out its principles. Freedom is not something that can be limited or divided or restricted. It applies to everyone anywhere and everywhere.

So I put forward this resolution and urge my colleagues not to just stand with me but to stand with the women of Iraq, stand with women everywhere who continue to fight for and continue to fight for in Iraq.

Those brave women are writing bold new chapters in the story of freedom. And I know that he joins his voice, his strength, his wisdom in working with the Iraqi Women’s Caucus to do absolutely everything to protect the women in Iraq.

Today’s USA news report has an article that states that the government may designate Islam Sharia as a main source of legislation in the country according to a draft. This is incredibly troubling that the rights of women may be turned back. It would be a terrible step for the women if their rights are actually restricted under this new constitution.

This resolution which we are sending to the government is tremendously important, and I would like to be associated with the comments on both sides of the aisle.

Just last week, we met with women leaders from Iraq. Two of them were official members of the government, and they are working with incredible strength for their country and for the rights of their families.

I would say that any country that protects their women is a stronger country, and Iraq will be a stronger country if women are able to preserve their position. One of the women we met with was a professional, and she had been denied her job.

Under Sharia, women will lose many of the rights that they already have. As one of them said to me, and I quote: “It is horrible. We are concerned. You must do something. The time is now.”

August 15 they will be coming forward with the final draft. They will be voting in October, and we must move forward. Just yesterday, along with 40 of my colleagues, I saw the letter to President Bush urging him and the State Department to do everything they possibly can to encourage the drafters of the constitution to include specific rights for women, thereby ensuring their equality and their full participation in the new Iraq country.

Under the former regime, they were educated, participated in the workforce, and played a role in the government. And since the end of the Saddam Hussein dictatorship, women have served and are serving in the national assembly as cabinet members and in local governments across their country.

They have had the opportunity twice to visit Iraq, to visit our soldiers, to meet with officials, and always to meet with women leaders. They are concerned. They are working hard, and with like-minded men are trying to preserve their role. If they lose their position in the constitution, it will be incredibly difficult to reverse that. So it is critically important, and it would be a tragic irony

In doing so, they are part of an ever-growing, ever-evolving story.

Mr. LANTOS. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Mrs. TAUSCHER), my good friend and distinguished colleague, coauthor of this resolution.

Mrs. TAUSCHER. Mr. Speaker, I rise to voice my deep concern over the rights of women in Iraq and urge adoption of this resolution. I am very pleased to introduce the gentlewoman from Texas (Ms. GRANGER) and the gentleman from Nebraska (Mr. OSBORNE) who are my cochairs in the Iraqi Women’s Caucus.

I know they share my unwavering commitment to upholding the success of our efforts to stabilize Iraq. As we speak, the Iraqi Constitution is being drafted, and preliminary drafts are being circulated around Baghdad and in the United States.

This is the real test of our efforts to bring democracy and stability to Iraq. My colleagues and I have spent countless hours in Iraq, in Jordan prior to the January 30 election, meeting with women who are working to bring democracy and stability to Iraq.

The attempts by fundamentalists to insert Sharia, a restrictive form of Islamic law, into the constitution, represents an aggressive and intolerable assault on women’s rights. The current transitional administrative law states that Islam is to be considered a source of legislation, but it leaves the door open for arbitrations, and that discrimination against an Iraqi citizen of gender is prohibited.

But current drafts of the new constitution provide legal rights for women as long as they do not violate Islamic law. Many Iraqi women fear, as we do, that enshrining Sharia would sharply curtail women’s rights in matters such as divorce, family inheritance, travel, professional opportunities, and other areas.

One draft of the constitution also lifted the requirement that at least 25 percent of the Iraqi parliament be women. We cannot allow these drafts to be the final word on August 15. We cannot bring liberty and freedom to only half of Iraq’s population, the men.

We owe to it the American men and women in uniform who have lost their lives and to the people of Iraq that we do all we can to protect women’s rights in that country.

Today we have an opportunity to demonstrate that Americans will stand strong in support of Iraqi women and their efforts to fully participate in their new democracy. I urge my colleagues to support this resolution.

Mr. LANTOS. Mr. Speaker, I yield as much time as she might consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding me the time and for his extraordinary leadership on human rights for people around the world.
if women now began to lose ground.

There might be full participation and equal treatment under the law for women in Iraq, and I know that my colleagues on both sides of the aisle, I hope they will join the Women’s Iraqi Caucus in expressing our strong support and solidarity with the women of Iraq as they fight for the rights to which they are entitled.

I would just like to close that it would really be a tragedy beyond words if women lose their standing in the constitution and lose the firm ground protection of a constitution. This is critically important. I urge all of my colleagues to join us in supporting this important resolution.

Mr. Speaker, I include the following for the record:

[From USA Today staff and wire reports.]

ONE DRAFT OF IRAQ’S CONSTITUTION MAKES ISLAM MAIN SOURCE

BAGHDAD—Framers of Iraq’s new constitution are considering designating Islam as the main source of legislation in the country, according to a draft published Tuesday in the government newspaper.

The draft, which appeared in the Baghdad newspaper Al-Sabah, further states that no law shall be approved that contradicts “the rules of Islam,” raising worries that the new government will restrict the role of women in society.

The constitution could change significantly, however, before the parliament votes on it by Aug. 15.

“‘There are several drafts of the constitution out there,’” U.S. Ambassador Zalmay Khalilzad said in a statement Tuesday.

“I hope this draft of the constitution in one of the newspapers today. There are other drafts, as well. Now is the time to produce a single draft by the commission,” he said.

The draft published Tuesday seems to reflect the views of conservative members of the constitution committee.

“Islam is the official religion of the state and is the main source of legislation,” the draft reads. “No law that contradicts with its rulings.”

The document also grants the Shiites Arab religious leadership in the holy city of Najaf—“independence for its guiding role” in recognition of its “high national and religious symbolism.”

In Washington, 41 members of the House of Representatives wrote a letter to President Bush urging him to support provisions in the constitution that would protect women’s rights. “It would be a terrible step backward for the women of Iraq if their rights are actually blocked and lose the new constitution,” said Rep. Carolyn Maloney, D-N.Y., in a press release.

The letter points out that the constitution would replace the transitional administrative law, which provides for equal treatment under the law and set a requirement that 25% of the seats in the National Assembly go to women.

During the U.S.-run occupation, which ended June 28, 2004, key Shiite and some Sunni politicians sought to have Islam designated as the main source of legislation in the interim constitution, which went into effect in March 2004.

However, U.S. Administrator Paul Bremer blocked the move. He said that Islam would be considered “a source”—but not the only one. At the time, prominent Shiite politicians, in a public battle with Bremer and raise the issue again during the drafting of the permanent constitution.

The drafting committee met Tuesday to discuss federalism, another contentious issue, according to Sunni Arab member Mohammed Abed-Rabbou.

He described the discussion as “heated” and said no agreement was reached.

Parliament speaker Hajim al-Hassani urged Iraqis to refrain from publishing supposed texts unless they were released by the constitutional committee.

The Sunnis on the committee agreed only Monday to resume work on the committee, after they walked out to protest the assassination of two of their colleagues this month.

CONGRESS OF THE UNITED STATES, Washington, DC, July 25, 2005, Hon. ROBERT W. BUSH, President, Pennsylvania Avenue, NW., Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our concerns with the Iraqi constitution currently being drafted by members of a constitutional drafting committee, and our support for provisions that we hope will be included to guarantee the rights of Iraqi women.

As you know, the National Assembly is scheduled to approve a draft constitution by August 15, 2005, which is scheduled to approve a draft constitution by October 15, 2005. This constitution will replace the Transitional Administrative Law (TAL) which provides for equality of all Iraqis regardless of race, creed or marital status, guaranteeing women 25% of the seats in the constitutional assembly. We strongly believe that Iraqi women must have every opportunity to participate in all levels of government so that they can ensure that any law passed by the Iraqi government will not take away their rights or relegate them to second-class status.

It is our understanding that the current draft of the constitution contains provisions, such as equal rights for women unless those rights contradict Shari’a law, that would weaken language contained in the TAL. Additionally, we understand that the draft would phase out the 25% requirement of parliamentary seats that must be held by women. Iraqi women are playing a critical role in the future of Iraq. If passed, Saddam Hussein’s tyranny. They should not be deprived of equality by those who seek to have the rights of women stripped away.

Therefore, we respectfully request that you do all that you can to demonstrate the United States’ support for equality for all Iraqis regardless of gender, and help the Iraqi people as they continue to establish a new society and government that recognizes the rights of all citizens. Iraqi women admirably have served in all levels of government in the National Assembly and as Cabinet Ministers as well as the private sector. We must continue to show our strong support for Iraqi women as they fight for equality.

Thank you for your attention in this matter. We look forward to your reply.

Sincerely,


Mr. OSBORNE, Mr. Speaker, I yield to Representative from Nebraska (Mr. OSBORNE), who has been a true leader on Iraq issues, on democratic governance, on women’s issues in Iraq.

Mr. OSBORNE. Mr. Speaker, H. Res. 363 encourages the transitional assembly of Iraq to adopt a constitution that grants women equal rights. It was authored by the gentleman from Texas (Ms. GRANGER) and also the gentleman from California (Mrs. TAUSCHER) and myself, who are co-chairs of the Iraqi Women’s Caucus.

Mr. Speaker, I would like to say just a word about the Iraqi Women’s Caucus. This was formed a couple of years ago by former Representative Jennifer Dunn and myself, with the belief that Iraqi women are critical to holding the social fabric of Iraq together and bringing Sunni and Kurds and Shiias together.

And as we have talked to them, we found that this is the case, that this is the case. They are really, really suffering. Sons are collateral. Sunnis are married to Shiias and they have other sects within their families. And they consistently tell us that the divisions are not what people think in the United States.

But we think that women are the key and probably as important as guns and bullets and tanks and helicopters to achieving a peaceful resolution in Iraq. Some of us visited Jordan in March. And we met with 150 Iraqi women near the Dead Sea. These women drove from many points within Iraq. Two groups were shot at on the way, which shows you the resolution that they had, because they continued on their journey.

We visited with many women’s groups from Iraq, in the United States and in Iraq, as we have traveled. I visited with prime minister al-Jaafari in Iraq in March. And I asked him this question: I said will you give Iraqi women a prominent role in the government? And the answer that he gave me was, yes, that he would do that, that he would ensure that.

So as many people are aware, one-third of the 275 seats in the transitional national assembly have been given to women, which is a very good thing. But on May 25, 45 of the 55 members of the national assembly were chosen to draft a permanent constitution for Iraq by August 15.

Of that 55, approximately 10 or 11 were women, which again does not sound too bad. But as we met with Iraqi women last week, they said the women that were chosen were among the most conservative, among the most fundamentalist group within the national assembly, and therefore they were really concerned about what was happening in regard to men.

And so as everyone knows, Sharia is Islamic law, and this was what was written in a draft of the constitution
This is a very exciting time. I know it is a contentious time. I just returned from my ninth visit to Iraq yesterday morning. My purpose in going was to meet with the drafters of the new Constitution, to express our gratitude for their work and appreciation for their bravery, and to assure them they have an awesome opportunity to create a successful country if they recognize that when they move toward democracy, it has to include certain vital components.

Democracy obviously involves majority rule. That is easy to folks. They get majority rule but they also need to recognize the importance of minority rights. And right along with that is the fact that democratic countries that succeed are those democracies that recognize women are an equal part.

When you look at the gross domestic product of the Arab nations, it is astounding to recognize when you take in Iraq’s oil and the billions and billions of dollars that they could have with that there is the very real need to ensure that the women of Iraq face and transferred it to Iraqis, and agree with him. We took this American power to the Iraqis, there were many who did not want them to, they need to make sure that that the United States pull out, they will almost unanimously say things like this: Things are better now. We see help for the future. We have a hope. We see a brighter future. Please do not leave now. Thank you for removing Saddam.

Mr. Speaker, may I just say the enormous sacrifices paid by the American people to liberate Iraq both in blood and in treasure were not made to create a society that discriminates against women. Our voice is clear and united. We want the women of Iraq to have equal rights with the men of Iraq in that new unfolding and developing society. I urge all of my colleagues to support this resolution.

Mr. Speaker, I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield the balance of my time to my good friend, the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentlewoman for yielding me time. I congratulate the gentlewoman from Texas (Ms. GRANGER) and the gentlewoman from Nebraska (Mr. OSBORNE) for their focus on this legislation.
I urge my colleagues to support this resolution, and I strongly encourage the Transnational Assembly of Iraq to grant women equal rights under the law.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentleman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 383.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. ROS-LEHTINEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. BARTON of Texas (during consideration of H.R. 383) submitted the following conference report and statement on the bill (H.R. 6), an act to ensure jobs for our future with secure, affordable, and reliable energy.

CONFERENCE REPORT ON H.R. 6, ENERGY POLICY ACT OF 2005

Mr. BARTON of Texas (during consideration of H.R. 383) submitted the following conference report and statement on the bill (H.R. 6), an act to ensure jobs for our future with secure, affordable, and reliable energy.

CONFERENCE REPORT (H. Rept. 109-190)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6), to ensure jobs for our future with secure, affordable, and reliable energy, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Energy Policy Act of 2005”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—ENERGY EFFICIENCY

Subtitle A—Federal Programs


Sec. 102. Energy management requirements.

Sec. 103. Energy use measurement and accountability.

Sec. 104. Procurement of energy efficient products.

Sec. 105. Energy savings performance contracts.

Sec. 106. Voluntary commitments to reduce industrial energy intensity.

Sec. 107. Advanced Building Efficiency Testbed.

Sec. 108. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete.


Sec. 110. Daylight savings.

Sec. 111. Enhancing energy efficiency in management of Federal lands.

Subtitle B—Energy Assistance and State Programs

Sec. 121. Low income home energy assistance program.

Sec. 122. Weatherization assistance.

Sec. 123. State energy programs.

Sec. 124. Energy efficient appliance rebate programs.

Sec. 125. Energy efficient public buildings.

Sec. 126. Low income community energy efficiency pilot program.

Sec. 127. State Technologies Advancement Collaborative.

Sec. 128. State beginning energy efficiency codes incentives.

Subtitle C—Energy Efficient Products

Sec. 131. Energy Star program.

Sec. 132. HVAC maintenance consumer education program.

Sec. 133. Public education program.

Sec. 134. Energy efficiency public information initiative.

Sec. 135. Energy conservation standards for additional products.

Sec. 136. Energy conservation standards for commercial equipment.

Sec. 137. Energy labeling.

Sec. 138. Intermittent escalator study.

Sec. 139. Energy efficient electric and natural gas utilities study.

Sec. 140. Energy efficient farm program.

Sec. 141. Report on failure to comply with deadlines for new or revised energy conservation standards.

Subtitle D—Public Housing

Sec. 151. Public housing capital fund.

Sec. 152. Energy efficient appliances.

Sec. 153. Energy efficiency standards.

Sec. 154. Energy strategy for HUD.

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

Sec. 201. Assessment of renewable energy resources.


Sec. 203. Federal purchase requirement.

Sec. 204. Utility scale photovoltaic energy in public buildings.

Sec. 205. Biobased products.

Sec. 206. Renewable energy security.

Sec. 207. Installation of photovoltaic system.

Sec. 208. Sugar cane ethanol program.

Sec. 209. Rural and remote community electrification grants.

Sec. 210. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial purposes.

Sec. 211. Sense of Congress regarding generation capacity of electricity from renewable energy resources on public lands.

Subtitle B—Geothermal Energy

Sec. 221. Short title.

Sec. 222. Competitive lease sale requirements.

Sec. 223. Direct use.

Sec. 224. Royalties and near-term production incentives.

Sec. 225. Coordination of geothermal leasing and permitting on Federal lands.

Sec. 226. Assessment of geothermal energy potential.

Sec. 227. Cooperative or unit plans.

Sec. 228. Royalty on byproducts.

Sec. 229. Authority of Secretary to readjust terms, conditions, rentals, and royalties.

Sec. 230. Crediting of rental toward royalty.

Sec. 231. Lease duration and work commitment requirements.

Sec. 232. Advanced royalties required for cessation of production.

Sec. 233. Annual rental.

Sec. 234. Deposit and use of geothermal lease revenues for fiscal years.

Sec. 235. Acreage limitations.

Sec. 236. Technical amendments.

Sec. 237. Intermountain West Geothermal Consortium.

Sec. 241. Alternative conditions and fishways.

Sec. 242. Hydroelectric production incentives.

Sec. 243. Hydroelectric efficiency improvement.

Sec. 244. Alaska State production over small hydroelectric projects.

Sec. 245. Flint Creek hydroelectric project.

Sec. 246. Small hydroelectric power projects.

Subtitle D—Insular Energy

Sec. 251. Insular areas energy security.

Sec. 252. Projects enhancing insular energy independence.

TITLE III—OIL AND GAS

Subtitle A—Petroleum Reserve and Home Heating Oil

Sec. 301. Permanent authority to operate the Strategic Petroleum Reserve and other energy programs.


Sec. 303. Site selection.

Subtitle B—Natural Gas

Sec. 311. Exportation or importation of natural gas.

Sec. 312. New natural gas storage facilities.

Sec. 313. Proceeds from extension; hearings; rules of procedure.

Sec. 314. Penalties.

Sec. 315. Market manipulation.

Sec. 316. Natural gas market transparency rules.

Sec. 317. Federal-State liquefied natural gas forums.

Sec. 318. Prohibition of trading and serving by certain individuals.

Subtitle C—Production

Sec. 321. Outer Continental Shelf provisions.

Sec. 322. Hydraulic fracturing.

Sec. 323. Oil and gas exploration and production defined.

Subtitle D—Naval Petroleum Reserve

Sec. 331. Transfer of administrative jurisdiction and environmental remediation, Naval Petroleum Reserve Numbered 2, Kern County, California.

Sec. 332. Naval Petroleum Reserve Numbered 2 Lease Revenue Account.

Sec. 333. Land conveyance, portion of Naval Petroleum Reserve Numbered 2, to City of Taft, California.

Sec. 334. Reclamation of land withdrawal.

Subtitle E—Production Incentives

Sec. 341. Definition of Secretary.

Sec. 342. Program on oil and gas royalties in-kind.

Sec. 343. Marginal property production incentives.

Sec. 344. Incentives for natural gas production from deep wells in the shallow waters of the Gulf of Mexico.

Sec. 345. Royalty relief for deep water production.

Sec. 346. Alaska offshore royalty suspension.

Sec. 347. Oil and gas leasing in the National Petroleum Reserve in Alaska.

Sec. 348. North Slope Science Initiative.

Sec. 349. Orphaned, abandoned, or idle wells on Federal land.

Sec. 350. Combined hydrocarbon leasing.

Sec. 351. Preservation of geological and geophysical data.

Sec. 352. Oil and gas lease acreage limitations.

Sec. 353. Gas hydrate production incentive.

Sec. 354. Enhanced oil and natural gas production through carbon dioxide injection.

Sec. 355. Assessment of dependence of State of Hawai‘i on oil.

Sec. 356. Denali Commission.

Sec. 357. Comprehensive inventory of OCS oil and natural gas resources.

Subtitle F—Access to Federal Lands

Sec. 361. Federal onshore oil and gas leasing programs.
Sec. 914. Building standards.
Sec. 915. Secondary electric vehicle battery use program.

Sec. 916. Energy Efficiency Science Initiative.
Sec. 917. Advanced Energy Efficiency Technology Transfer Centers.

Subtitle B—Distributed Energy and Electric Energy Systems

Sec. 921. Distributed energy and electric energy systems.
Sec. 922. High power density industry program.
Sec. 923. Micro-cogeneration energy technology.
Sec. 924. Distributed energy technology demonstration programs.
Sec. 925. Electric transmission and distribution programs.

Subtitle C—Renewable Energy

Sec. 931. Renewable energy.
Sec. 932. Bioenergy program.
Sec. 933. Low-cost renewable hydrogen and infrastructure for vehicle propulsion.
Sec. 934. Concentrating solar power research program.
Sec. 935. Renewable energy in public buildings.

Subtitle D—Agricultural Biomass Research and Development Programs

Sec. 941. Amendments to the Biomass Research and Development Act of 2000.
Sec. 942. Production incentives for cellulosic biofuels.
Sec. 943. Procurement of biobased products.
Sec. 944. Small business bioproduct marketing and certification grants.
Sec. 945. Regional bioeconomy development grants.
Sec. 946. Preprocessing and harvesting demonstration grants.
Sec. 947. Education and outreach.
Sec. 948. Reports.

Subtitle E—Nuclear Energy

Sec. 951. Nuclear energy.
Sec. 952. Nuclear energy research programs.
Sec. 953. Advanced fuel cycle initiative.
Sec. 954. University nuclear science and engineering support.
Sec. 955. Department of Energy civilian nuclear infrastructure and facilities.
Sec. 956. Security of nuclear facilities.
Sec. 957. Alternatives to industrial radioactive sources.
Sec. 958. Fossil Energy.
Sec. 960. Coal and related technologies programs.
Sec. 962. Carbon capture research and development program.
Sec. 964. Research and development for coal mining technologies.
Sec. 965. Oil and gas research programs.
Sec. 966. Low-volume oil and gas reservoir research program.
Sec. 967. Complex well technology testing facilities.
Sec. 968. Methane hydrate research.

Subtitle F—Science and Technology Scholarship

Subtitle G—International Cooperation

Sec. 983. Science and engineering education.
Sec. 984. Energy research fellowships.
Sec. 984A. Science and technology scholarship program.

Sec. 984A. Science and technology scholarship program.
Sec. 985. Western Hemisphere energy cooperation.
Sec. 986. Cooperation between United States and Israel.
Sec. 986A. International energy training.

Subtitle I—Research Administration and Operations

Sec. 987. Availability of funds.
Sec. 988. Cost sharing.
Sec. 989. Merit review of proposals.
Sec. 990. External technical review of Departmental programs.
Sec. 991. National Laboratory designation.
Sec. 992. Report on equal employment opportunity practices.
Sec. 993. Strategy and plan for science and energy facilities and infrastructure.
Sec. 994. Strategic research portfolio analysis and coordination plan.
Sec. 995. Competitive award of management contracts.
Sec. 996. Western Michigan demonstration project.
Sec. 997. Arctic Engineering Research Center.
Sec. 998. Roper Geophysical Research Facility.

Subtitle J—Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources

Sec. 999A. Program authority.
Sec. 999B. Ultra-deepwater and unconventional onshore natural gas and other petroleum research and development program.
Sec. 999C. Additional requirements for awards.
Sec. 999D. Advisory committees.
Sec. 999E. Limits on participation.
Sec. 999F. Sunset.
Sec. 999G. Definitions.
Sec. 999H. Funding.

TITLE X—DEPARTMENT OF ENERGY MANAGEMENT

Sec. 1001. Improved technology transfer of energy technologies.
Sec. 1002. Technology Infrastructure Program.
Sec. 1003. Small business advocacy and assistance.
Sec. 1004. Outreach.
Sec. 1005. Relationship to other laws.
Sec. 1006. Improved coordination and management of civilian science and technology programs.
Sec. 1007. Other transactions authority.
Sec. 1008. Prizes for achievement in grand challenges of science and technology.
Sec. 1009. Technical corrections.
Sec. 1010. University collaboration.
Sec. 1011. Sense of Congress.

TITLE XI—PERSONNEL AND TRAINING

Sec. 1010. University collaboration.
Sec. 1011. Sense of Congress.
Sec. 1012. Educational programs in science and mathematics.
Sec. 1013. Training guidelines for nonnuclear electric energy industry personnel.
Sec. 1015. Improving access to energy-related scientific and technical careers.

TITLE XII—ELECTRICITY

Sec. 1201. Short title.
Sec. 1202. Reliability Standards.
Sec. 1203. Transmission Infrastructure Modernization.
Sec. 1204. Siting of interstate electric transmission facilities.
Sec. 1205. Third-party finance.
Sec. 1206. Advanced transmission technologies.
Sec. 1306. Credit for production from advanced nuclear power facilities.

Sec. 1307. Credit for investment in clean coal facilities.

Sec. 1308. Electric transmission property treated as 15-year property.

Sec. 1309. Expansion of amortization for certain atmospheric pollution control facilities in connection with plants first placed in service after 1975.

Sec. 1310. Modifications to special rules for nuclear decommissioning costs.

Sec. 1311. 5-year net operating loss carryover for certain losses.

Subtitle B—Domestic Fossil Fuel Security

Sec. 1312. Extension of credit for producing fuel from a nonconventional source for facilities producing coke or coke gas.

Sec. 1313. Modification of credit for producing fuel from a nonconventional source.

Sec. 1314. Temporary expensing for equipment used in refining of liquid fuels.

Sec. 1315. Pass through to owners of deduction for capital costs incurred by small refiner cooperatives in complying with Environmental Protection Agency sulfur regulations.

Sec. 1316. Natural gas distribution lines treated as 15-year property.

Sec. 1317. Natural gas gathering lines treated as 15-year property.

Sec. 1318. Arbitrage rules not to apply to pre-payments for natural gas.

Sec. 1319. Determination of small refiner exception to oil depletion deduction.

Sec. 1320. Amortization of geological and geophysical expenditures.


Sec. 1321. Energy efficient commercial buildings deduction.

Sec. 1322. Credit for construction of new energy efficient homes.

Sec. 1323. Credit for certain nonbusiness energy property.

Sec. 1324. Credit for energy efficient appliances.

Sec. 1325. Credit for residential energy efficient property.

Sec. 1326. Credit for business installation of qualified fuel cells and stationary microturbine power plants.

Sec. 1327. Business solar investment tax credit.

Subtitle D—Alternative Motor Vehicles and Fuels Incentives

Sec. 1328. Alternative motor vehicle credit.

Sec. 1329. Credit for installation of alternative fueling stations.

Sec. 1330. Reduced motor fuel excise tax on certain mixtures of diesel fuel.

Sec. 1331. Extension of excise tax provisions and income tax credit for biodiesel.

Sec. 1332. Small agri-biodiesel producer credit.

Sec. 1333. Renewable diesel.

Sec. 1334. Modification of small ethanol producer credit.

Sec. 1335. Sunset of deduction for clean-fuel vehicles and certain refueling property.

Subtitle E—Additional Energy Tax Incentives

Sec. 1336. National Academy of Sciences study and report.

Sec. 1337. Recycling study.

Subtitle F—Revenue Raising Provisions

Sec. 1338. Oil Spill Liability Trust Fund financing rate.

Sec. 1339. Extension of leaking underground storage tank trust fund financing rate.

Sec. 1340. Modification of recapture rules for amortizable section 197 intangibles.

Sec. 1341. Clarification of tire excise tax.
1 or more organizations referred to in subpara-
graph (A); and
(ii) is operated, supervised, or controlled by or in connection with 1 or more of those organiza-
tions.
(3) NATIONAL LABORATORY.—The term “Na-
tional Laboratory” means any of the following:
(A) Lawrence Livermore National Laboratory.
(B) Los Alamos National Laboratory.
(C) Oak Ridge National Laboratory.
(D) Pacific Northwest National Laboratory.
(E) Savannah River National Laboratory.
(F) Idaho National Laboratory.
(G) Lawrence Berkeley National Laboratory.
(H) Oak Ridge National Laboratory.
(I) National Renewable Energy Laboratory.
(J) National Energy Technology Laboratory.
(K) Oak Ridge National Laboratory.
(L) Pacific Northwest National Laboratory.
(M) Princeton Plasma Physics Laboratory.
(N) Sandia National Laboratories.
(O) Savannah River National Laboratory.
(P) Stanford Linear Accelerator Center.
(Q) Thomas Jefferson National Accelerator Facility.
(4) SECRETARY.—The term “Secretary” means the Secretary of Energy.
(5) SMALL BUSINESS.—The term “small business concern” has the meaning given in section 3 of the Small Business Act (15 U.S.C. 632).

TITLE I—ENERGY EFFICIENCY

Subtitle A—Federal Programs

SEC. 101. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

(a) IN GENERAL.—Part 3 of title V of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 8251 et seq.) is amended by adding at the end the following:

"SEC. 552. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

"(a) IN GENERAL.—The Architect of the Cap-
tol—
"(1) shall develop, update, and implement a cost-effective energy conservation and manage-
ment plan referred to in this section as the ‘plan’) for all facilities administered by Congress (referred to in this section as ‘congressional buildings’) to meet the energy performance re-
quirements for Federal buildings established under section 543(a)(1); and
"(2) shall submit the plan to Congress, not later than 180 days after the date of enactment of this section.

"(b) PLAN REQUIREMENTS.—The plan shall in-
clude—
"(1) a description of the life cycle cost analysis used to determine the cost-effectiveness of proposed energy efficiency projects;
"(2) a schedule of energy surveys to ensure complete surveys of all congressional buildings every 5 years to determine the cost and payback period of energy and water conservation mea-
ures;
"(3) a strategy for installation of life cycle cost-effective energy and water conservation measures;
"(4) the results of a study of the costs and benefits of installation of submetering in congressional buildings; and
"(5) information packages and ‘how-to’ guides for each building, in determining authority of Congress that detail simple, cost-effective meth-
ods to save energy and taxpayer dollars in the workplace.

"(c) ANNUAL REPORT.—The Architect of the Cap-
tol shall submit to Congress annually a rep-
port on congressional energy management and conservation programs required under this sec-
tion that includes the following
"(1) energy expenditures and savings esti-
mates for each facility;
"(2) energy management and conservation pro-
grams in effect;
"(3) future priorities to ensure compliance with this section.”.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the National Energy Con-
servation Policy Act is amended by adding at the end of the items relating to part 3 of title V the following:

"Sec. 552. Energy and water saving measures in congressional buildings.”

(c) REPEAL.—See 310 of the Legislative Branch Appropriations Act, 1999 (2 U.S.C. 1815), is repealed.

SEC. 102. ENERGY MANAGEMENT REQUIREMENTS.

(a) ENERGY REDUCTION GOALS.—

(1) AMENDMENT.—Section 543(a)(1) of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended by striking “its Federal buildings so that” and all that follows through the end and inserting “the Federal buildings (including each indus-
trial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in fiscal years 2006 through 2015 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in fiscal year 2003, by the percentage specified in the following table:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percentage reduction</th>
</tr>
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<tbody>
<tr>
<td>2006</td>
<td>2</td>
</tr>
<tr>
<td>2007</td>
<td>4</td>
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<td>16</td>
</tr>
<tr>
<td>2014</td>
<td>18</td>
</tr>
<tr>
<td>2015</td>
<td>20</td>
</tr>
</tbody>
</table>

(2) REPORTING BASELINE.—The energy reduc-
tion goals and baseline established in paragraph (1) of section 543(a) of the National Energy Con-
servation Policy Act (42 U.S.C. 8253(a)), as amended by this subsection, supersede all pre-
vious goals and baselines under such para-
graph, and related reporting requirements.

(b) REVIEW AND REVISION OF ENERGY PER-
FORMANCE REQUIREMENT.—Section 543(a) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)) is further amended by adding at the end the following:

"(3) Not later than December 31, 2014, the Sec-
retary shall review the results of the implement-
tion of the energy performance requirement established under paragraph (1) and submit to Congress recommendations concerning energy performance requirements for fiscal years 2016 through 2025.

(c) EXCLUSIONS.—Section 543(c)(1) of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 8253(c)(1)) is amended by striking “An agency may exclude, from the energy performance re-
quirement for a fiscal year established under this sub-
section (a) and the energy management require-
ment established under subsection (b), any Federal building or collection of Federal build-
ings; if the head of the agency finds that—
"(i) compliance with those requirements would be impracticable;
"(ii) the agency has completed and submitted all federally required energy management re-
ports;
"(iii) the agency has achieved compliance with the energy efficiency requirements of this Act, the Energy Star Program of 1992, Executive or-
ders, and other Federal law; and
"(iv) the agency has implemented all practi-
cable, life cycle cost-effective projects with re-
spect to the Federal building or collection of Federal buildings to be excluded.

"(B) A finding of impracticability under sub-
paragraph (A)(ii) shall be based on—
"(i) the energy consumption of activities car-
ried out in the Federal building or collection of Federal buildings; or
"(ii) the fact that the Federal building or col-
lection of Federal buildings is used in the per-
formance of a national security function.”.

(d) REVIEW BY SECRETARY.—Section 543(c)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8253(c)(2)) is further amended by adding at the end the following:

"(1) by striking “impracticability standards” and inserting “standards for exclusion”;
"(2) by striking “a finding of impracticability” and inserting “the exclusion”;
"(3) by striking “energy consumption require-
ments” and inserting “requirements of sub-
sections (a) and (b)(1)”.

(e) CRITERIA.—Section 543(c) of the National Energy Conservation Policy Act (42 U.S.C. 8253(c)) is further amended by adding at the end the following new sub-
section:

"(4) RETENTION OF ENERGY AND WATER SAV-
INGS.—An agency may retain any funds appro-
priated to that agency for energy expenditures, water expenditures, or wastewater treatment ex-
penditures, at buildings subject to the require-
ments of section 543(c), that are not made because of energy savings or water sav-
ings. Except as otherwise provided by law, such funds may be used only for energy efficiency, water conservation, or unconventional and re-
newable energy resources projects. Such projects shall be subject to the requirements of section 3307 of title 40, United States Code.”

REPORTS.—Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258(b)) is amended—

(1) in the subsection heading, by inserting “SEC. 548(b)”; and

(2) by inserting “President” and before “Cong-
ress.”

(h) CONFORMING AMENDMENT.—Section 550(d) of the National Energy Conservation Policy Act (42 U.S.C. 8258(d)) is amended in the second sentence by striking “the 20 percent reduction goal established under section 543(a) of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 8253(a))” and inserting “each of the energy reduction goals established under section 543(a).”

SEC. 103. ENERGY USE MEASUREMENT AND AC-
COUNTABILITY.

Section 543 of the National Energy Conserva-
tion Policy Act (42 U.S.C. 8253) is further amended by adding at the end the following:

"(c) METERING OF ENERGY USE.—

(1) DEADLINE.—By October 1, 2012, in ac-
cordance with guidelines established by the Sec-
retary, each Federal building shall be equipped to meter the energy used in such buildings, be metered. Each agency shall use, to the maximum extent practicable, advanced meters or advanced metering devices that provide data at least daily and that measure at least hourly consumption of electricity in the Federal buildings. Such data shall be incorporated into existing Federal energy tracking systems and made available to Federal facility managers.

(2) GUIDELINES.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this subsection, the Secretary, in consultation with the Depart-
ment of Defense, the General Services Adminis-
tration, representatives from the metering indus-
try, utility industry, energy services industry, energy efficiency industry, energy efficiency ad-
sociations, national laboratories, universities, and Federal facility managers, shall establish guidelines for agencies to carry out paragraph (1).

(B) REPORTS.—The guidelines shall—

"(i) take into consideration—
(I) the cost of metering and the reduced cost of operation and maintenance expected to result from metering;

(ii) the extent to which metering is expected to result in the potential for energy management, increased potential for energy savings and energy efficiency improvement, and cost and energy savings due to utility contract aggregation (if applicable);

(iii) the measurement and verification protocols of the Department of Energy;

(iv) include recommendations concerning the amount and the number of trained personnel necessary to gather and use the metering information to track and reduce energy use;

(v) allowances for types and locations of buildings to be metered based on cost-effectiveness and a schedule of 1 or more dates, not later than 1 year after the date of issuance of the guidelines, on which the requirements specified in paragraph (1) shall take effect; and

(vi) establish exclusions from the requirements specified in paragraph (1) based on the de minimis quantity of energy use of a Federal building, industrial process, or structure.

(3) PLAN.—Not later than 6 months after the date guidelines are established under paragraph (2), in addition to a plan submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing how the agency will implement the requirements of paragraph (1), including the agency’s efforts to designate personnel primarily responsible for achieving the requirements and (B) demonstration by the agency, complete with documentation, of any finding of meters or metering devices, as defined in paragraph (1), are not practicable.

SEC. 104. PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) REQUIREMENTS.—Part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), as amended by section 101, is amended by adding at the end the following:

SEC. 553. FEDERAL PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term ‘agency’ has the meaning given that term in section 7902(a) of title 5, United States Code.

(2) ENERGY STAR PRODUCT.—The term ‘Energy Star product’ means a product that is rated for energy efficiency under an Energy Star program.

(3) ENERGY STAR PROGRAM.—The term ‘Energy Star program’ means the program established by section 324A of the Energy Policy and Conservation Act.

(4) FEMP DESIGNATED PRODUCT.—The term ‘FEMP designated product’ means a product that is designated under the Federal Energy Management Program of the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

(5) PRODUCT.—The term ‘product’ does not include any energy consuming product or system designed or procured for combat or combat-related missions.

(b) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(1) REQUIREMENT.—To meet the requirements of an agency for an energy consuming product, the head of the agency shall, except as provided in paragraph (2), procure:

(A) an Energy Star product; or

(B) a FEMP designated product.

(2) EXCEPTIONS.—The head of an agency is not required to procure an Energy Star product or FEMP designated product under paragraph (1) if the head of the agency finds in writing that—

(A) an Energy Star product or FEMP designated product is not cost-effective over the life of the product taking energy cost savings into account; or

(B) an Energy Star product or FEMP designated product is reasonably available that meets the functional requirements of the agency.

(2) PROCUREMENT PLANNING.—The head of an agency shall incorporate into the specifications for all procurements involving energy consuming products and systems, including (A) ensuring all specifications for such products include design or construction, renovation, and services contracts that include provision of energy consuming products and systems, and into the factors for the evaluation of offers received for the procurement, criteria for energy efficiency that are consistent with the criteria used for rating Energy Star products and for rating FEMP designated products.

(c) LISTING OF ENERGY EFFICIENT PRODUCTS IN FEDERAL CATALOGS.—Energy Star products and FEMP designated products shall be clearly identified and listed in any inventory or listing of products by the General Services Administration or the Defense Logistics Agency. The General Services Administration or the Defense Logistics Agency shall supply only Energy Star products or FEMP designated products for all product categories covered by the Energy Star program or the Federal Energy Management Program, except in cases where the agency ordering a product specifies in writing that no Energy Star product or FEMP designated product is available to meet the buyer’s requirements.

(d) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—In this section:

(1) The term ‘Energy Star program’ means the Energy Star program established by the Energy Star program or the Federal Energy Management Program, except in cases where the agency ordering a product specifies in writing that no Energy Star product or FEMP designated product is available to meet the buyer’s requirements.

(2) The term ‘FEMP designated product’ means a product that is designated under the Federal Energy Management Program of the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

(3) The term ‘product’ does not include any energy consuming product or system designed or procured for combat or combat-related missions.

(4) The term ‘product’ does not include any energy consuming product or system designed or procured for combat or combat-related missions.

SEC. 105. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) REQUIREMENTS.—The term ‘energy savings performance contract’ means a contract entered into by the primary energy consumed for each unit of physical output in an industrial process.

(b) VOLUNTARY AGREEMENTS.—The Secretary may enter into voluntary agreements with 1 or more persons in industrial sectors that consume significant quantities of primary energy for each unit of physical output to reduce the energy intensity of the production activities of the persons.

(c) GOAL.—Voluntary agreements under this section shall have as a goal the reduction of energy intensity by not less than 2.5 percent each year during the period of calendar years 2007 through 2016.

(d) RECOGNITION.—The Secretary, in cooperation with other appropriate Federal agencies, shall develop mechanisms to recognize and publicize the achievements of participants in voluntary agreements under this section.

SEC. 106. VOLUNTARY COMMITMENTS TO REDUCE INDUSTRIAL ENERGY INTENSITY.

(a) DEFINITION OF ENERGY INTENSITY.—In this section, the term ‘energy intensity’ means the primary energy consumed for each unit of physical output in an industrial process.

(b) VOLUNTARY AGREEMENTS.—The Secretary may enter into voluntary agreements with 1 or more persons in industrial sectors that consume significant quantities of primary energy for each unit of physical output to reduce the energy intensity of the production activities of the persons.

(c) GOAL.—Voluntary agreements under this section shall have as a goal the reduction of energy intensity by not less than 2.5 percent each year during the period of calendar years 2007 through 2016.

(d) RECOGNITION.—The Secretary, in cooperation with other appropriate Federal agencies, shall develop mechanisms to recognize and publicize the achievements of participants in voluntary agreements under this section.

SEC. 107. ADVANCED BUILDING EFFICIENCY TESTED.

(a) ESTABLISHMENT.—The Secretary, in consultation with the Administrator of General Services, shall establish a Building Efficiency Tested program for the development, testing, and demonstration of advanced engineering systems, components, and materials to enable innovations in buildings. The program shall evaluate efficiency concepts for government and industry buildings, and demonstrate the ability of next generation buildings to support individual and population productivity and health (including by improving indoor air quality) as well as flexibility and technological change to improve environmental sustainability. Such program shall complement and not duplicate existing national programs.

(b) PARTICIPANTS.—The program established under subsection (a) shall be led by a university with the ability to combine the expertise from numerous academic fields including, at a minimum, intelligent workplaces and advanced building systems and engineering, electrical and computer engineering, computer science, architecture, urban design, and environmental and mechanical engineering. Such university shall partner with other universities and entities who have established programs and the expertise of advancing innovative building energy efficiency technologies.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $6,000,000 for each of the fiscal years 2006 through 2008, to remain available until expended. For any fiscal year for which funds are appropriated under this section, the Secretary shall provide ¼ of the total amount to the lead university described in
subsection (b), and provide the remaining ½ to the other participants referred to in subsection (b) on an equal basis.

SEC. 108. INCREASED USE OF RECOVERED MINERAL COMPONENT IN FEDERALLY FUNDED PROJECTS INVOLVING PRO-CUREMENT OF CEMENT OR CON-CRETE.

(a) AMENDMENT.—Subtitle F of the Solid Waste Disposal Act (42 U.S.C. 6961 et seq.) is amended by adding at the end the following:

"SEC. 6005. (a) DEFINITIONS.—In this section:

"(1) AGENCY HEAD.—The term 'agency head' means—

"(A) the Secretary of Transportation; and

"(B) the head of any other Federal agency that, in its procurement or disposal of Federal funds to pay or assist in paying the cost of procuring, material for cement or concrete projects.

"(2) CEMENT OR CONCRETE PROJECT.—The term 'cement or concrete project' means a project for the construction or maintenance of a highway or other transportation facility or a Federal, State, or local government building or other public facility that—

"(A) involves the procurement of cement or concrete; and

"(B) is carried out, in whole or in part, using Federal funds.

"(3) RECOVERED MINERAL COMPONENT.—The term 'recovered mineral component' means—

"(A) slag from melted blast furnace slag, excluding lead slag; and

"(B) coal combustion fly ash; and

"(C) any other waste material or byproduct recovered or diverted from solid waste that the Administrator, in consultation with an agency head, determines should be treated as recovered mineral component in cement or concrete projects for which use in cement or concrete projects paid for, in whole or in part, by the agency head.

"(B) IMPLEMENTATION OF REQUIREMENTS.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator and each agency head shall take such actions as are necessary to implement fully all procurement requirements and incentives in effect as of the date of enactment of this section (including guidelines under section 6002) that provide for the use of cement and concrete incorporating recovered mineral component in cement or concrete projects.

"(2) PRIORITY.—In carrying out paragraph (1), an agency head shall give priority to achieving use of recovered mineral component in cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally.

"(3) FEDERAL PROCUREMENT REQUIREMENTS.—

"(A) The Administration and each agency head shall carry out this subsection in accordance with section 6002.

"(B) FULL IMPLEMENTATION STUDY.—

"(1) IN GENERAL.—The Administrator, in cooperation with the Secretary of Transportation and the Secretary of Energy, shall conduct a study to evaluate to what extent the requirements, when fully implemented in accordance with subsection (b), may realize increased savings and environmental benefits attainable with substitution of recovered mineral component in cement used in cement or concrete projects.

"(2) MATTERS TO BE ADDRESSED.—The study shall—

"(A) quantify—

"(i) the extent to which recovered mineral component in cement is being substituted for Portland cement, particularly as a result of procurement requirements; and

"(ii) the energy savings and environmental benefits that the substitution of recovered mineral component in cement used in cement or concrete projects.

"(B) identify all barriers in procurement requirements to greater realization of energy savings and environmental benefits, including barriers resulting from exceptions from the law; and

"(C)(i) identify potential mechanisms to achieve greater substitution of recovered mineral component in cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally;

"(ii) evaluate the feasibility of establishing guidelines or standards for optimized substitution rates of recovered mineral component in those cement or concrete projects; and

"(iii) identify potential environmental or economic effects that may result from greater substitution of recovered mineral component in those cement or concrete projects.

"(3) REPORT.—Not later than 90 days after the date of enactment of this section, the Administrator shall submit to Congress a report on the study.

"(B) ADDITIONAL PROCUREMENT REQUIRE-MENTS.—Unless the study conducted under subsection (c) identifies any effects or other problems described in subsection (c)(2)(B) that warrant further review or delay, the Administrator and each agency head shall, not later than 1 year after the date on which the report under subsection (c)(3) is submitted, take additional actions under this Act to establish procurement requirements and incentives that provide for the use of cement and concrete with increased substitution of recovered mineral component in the construction and maintenance of cement or concrete projects—

"(1) to realize more fully the energy savings and environmental benefits associated with increased substitution; and

"(2) to eliminate barriers identified under subsection (c)(2)(B).

"(C) REPORT TO CONGRESS.—Not later than 9 months after the effective date stated in subsection (b), the Secretary shall report to Congress on the impacts of the implementation on energy consumption in the United States.

"(D) RIGHT TO REVERT.—Congress retains the right to revert the Daylight Saving Time back to the 2005 time schedules once the Department study is complete.

SEC. 109. FEDERAL BUILDING PERFORMANCE STANDARDS.

Section 305(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)) is amended by adding after the item relating to "ASHRAE Standard 90.1-2004; and"

"(v) a list of all new Federal buildings owned, operated, or controlled by the Federal agency or March 1, 2007, whichever is later.

"(vi) a statement specifying whether the Federal agency shall include—

"(1) a description of the buildings identified under section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by inserting "and $2,000,000,000 for each fiscal years 2005 through 2007".

"(2) in paragraph (2), by striking "and $2,000,000,000 for each fiscal years 2002 through 2004" and inserting "and $5,100,000,000 for each of fiscal years 2005 through 2007".

"(b) REWRITABLE FUELS.—The Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) is amended by adding at the end the following new section:

"REWRITABLE FUELS—Sec. 2612. In providing assistance pursuant to this title, a State, or any other person with which the State makes arrangements to carry out the purposes of this title, may purchase renewable fuels, including—

"(1) a list of all new Federal buildings owned, operated, or controlled by the Federal agency; and

"(2) a statement specifying whether the Federal agency shall determine, based on the cost-effectiveness of the requirements under the amendment, whether the revised standards established under this paragraph should be updated to reflect the amendment.

"(b) EFFECTIVE DATE.—Subsection (a) shall take effect 1 year after the date of enactment of this Act or March 1, 2007, whichever is later.

"(c) REPORT TO CONGRESS.—Not later than 9 months after the effective date stated in subsection (b), the Secretary shall report to Congress on the impacts of the implementation on energy consumption in the United States.

"(D) RIGHT TO REVERT.—Congress retains the right to revert the Daylight Saving Time back to the 2005 time schedules once the Department study is complete.

SEC. 111. ENHANCING ENERGY EFFICIENCY IN MANAG-EMENT OF FEDERAL LANDS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that Federal agencies should enhance the use of energy efficient technologies in the management of natural resources.

"(B) CONFORMING AMENDMENT.—To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to incorporate energy effi-

"(C) ENERGY EFFICIENT VEHICLES.—To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to use energy efficient motor vehicles, including vehicles equipped with biodeisel or hybrid engine technologies, in the management of the Federal lands managed by the National Wildlife Refuge System, National Forest System, National Marine Sanctuaries System, and other public lands and resources managed by the Secretaries.

Subtitle B—Energy Assistance and State Programs

SEC. 121. LOW INCOME HOME ENERGY ASSIST-ANCE PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Sec-

"(1) the buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the version of the ASHRAE Standard or the International Energy Conservation Code, as appropriate, that is in effect as of the date of enactment of this paragraph; and

"(2) (A) in the case of residential buildings or ASHRAE Standard 90.1-2004; and

"(3) (A) Not later than 1 year after the date of enactment of this paragraph, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that—

"(i) if life-cycle cost-effective for new Federal buildings; and

"(ii) (A) the buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the version of the ASHRAE Standard or the International Energy Conservation Code, as appropriate, that is in effect as of the date of enactment of this paragraph; and

"(B) (ii) if water is used to achieve energy effi-

"(ii) if water is used to achieve energy effi-

"(ii) (A) the buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the version of the ASHRAE Standard or the International Energy Conservation Code, as appropriate, that is in effect as of the date of enactment of this paragraph; and

"(B) (ii) if water is used to achieve energy effi-
SEC. 125. ENERGY EFFICIENT PUBLIC BUILDINGS.

SEC. 126. LOW INCOME COMMUNITY ENERGY EFFICIENCY CODES INCENTIVES.

SEC. 127. STATE TECHNOLOGIES ADVANCEMENT COLLABORATIVE.

SEC. 128. STATE BUILDING ENERGY EFFICIENCY CODES INCENTIVES.
“(A) to a State that has adopted and is implementing energy conservation standards.

“(i) a residential building energy efficiency code that meets or exceeds the requirements of the 2004 International Energy Conservation Code, or any succeeding version of that code that has received an affirmative determination from the Secretary under subsection (a)(5)(A); and

“(ii) a commercial building energy efficiency code that meets or exceeds the requirements of the ASHRAE Standard 90.1-2004, or any succeeding version of that standard that has received an affirmative determination from the Secretary under subsection (b)(2)(A); or

“(B) in each case, the Secretary shall ensure that the code is consistent with the technologies as the preferred technologies in the field.

“(6) on adoption of a new or revised product category, specification, or criterion, provide reasonable notice to interested parties of any changes (including effective dates) in product categories, specifications, or criteria, along with—

“(A) an explanation of the changes; and

“(B) appropriate, responses to comments submitted pursuant to paragraphs (5)(B) and (5)(C).

“(7) provide appropriate lead time (which shall be 270 days, unless the Agency or the Secretary specifies otherwise) prior to the applicable effective date for a new or a significant revision to a product category, specification, or criterion, taking into account the timing requirements of the mandatory product marketing and distribution process for the specific product addressed.

“(d) DEADLINES.—The Secretary shall establish the following:

“(1) not later than January 1, 2006, for clothes washers and dryers, effective beginning January 1, 2007; and

“(2) not later than January 1, 2008, for clothes washers, effective beginning January 1, 2010.

“(e) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by inserting after the item relating to section 324 the following:

“Sec. 324A. Energy Star program.

“SEC. 132. HVAC MAINTENANCE CONSUMER EDUCATION PROGRAM.

“Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307) is amended by adding at the end the following:

“(a) In General.—The Administrator of the Small Business Administration and the Secretary of Commerce are authorized to enter into cooperative agreements with State and local officials to implement codes described in paragraph (2).

“(4)(A) There are authorized to be appropriated to carry out this subsection—

“(i) $25,000,000 for each of fiscal years 2006 through 2010; and

“(ii) such sums as are necessary for fiscal year 2011 and each fiscal year thereafter.

“(iii) Funding provided to States under paragraph (2) for each fiscal year shall not exceed 1/2 of the amount made available under this subsection for each fiscal year of $5,000,000 for the fiscal year.

“Subtitle C—Energy Efficient Products

“SEC. 131. ENERGY STAR PROGRAM.

“(a) In General.—The Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by inserting after section 324—

“‘ENERGY STAR PROGRAM.

“SEC. 324A. (a) In General.—There is established within the Department of Energy and the Environmental Protection Agency a voluntary program to identify and promote energy-efficient products and buildings in order to reduce energy consumption, improve energy security, and reduce pollution through voluntary labeling of, or other forms of communication about, products and buildings that meet the highest energy conservation standards.

“(b) DIVISION OF RESPONSIBILITIES.—Responsibilities under the program shall be divided between the Department of Energy and the Environmental Protection Agency in accordance with the terms of applicable agreements between those agencies.

“(c) DUTIES.—The Administrator and the Secretary shall—

“(1) promote Energy Star compliant technologies as preferred technologies in the marketplace for—

“(A) achieving energy efficiency; and

“(B) reducing pollution;

“(2) work to enhance public awareness of the Energy Star label, including by providing special outreach to small businesses;

“(3) preserve the integrity of the Energy Star label;

“(4) regularly update Energy Star product criteria for product categories;

“(5) solicit comments from interested parties prior to establishing or revising an Energy Star product category, specification, or criterion, or prior to effective dates for any such product category, specification, or criterion;

“(6) on adoption of a new or revised product category, specification, or criterion, provide reasonable notice to interested parties of any changes (including effective dates) in product categories, specifications, or criteria, along with—

“(A) an explanation of the changes; and

“(B) appropriate, responses to comments submitted pursuant to paragraphs (5)(B) and (5)(C);

“(7) provide appropriate lead time (which shall be 270 days, unless the Agency or the Secretary specifies otherwise) prior to the applicable effective date for a new or a significant revision to a product category, specification, or criterion, taking into account the timing requirements of the mandatory product marketing and distribution process for the specific product addressed.

“(d) DEADLINES.—The Secretary shall establish the following:

“(1) not later than January 1, 2006, for clothes washers and dryers, effective beginning January 1, 2007; and

“(2) not later than January 1, 2008, for clothes washers, effective beginning January 1, 2010.

“(e) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by inserting after the item relating to section 324 the following:

“Sec. 324A. Energy Star program.

“SEC. 133. PUBLIC ENERGY EDUCATION PROGRAM.

“(a) In General.—Not later than 180 days after the date of enactment of this Act, the Secretary shall convene an organizational conference for the purpose of establishing an ongoing, self-sustaining national public energy education program.

“(b) PARTICIPANTS.—The Secretary shall invite to participate in the conference all organizations and entities representing all aspects of energy production and distribution, including—

“(1) industrial firms;

“(2) professional societies;

“(3) educational organizations;

“(4) trade associations; and

“(5) governmental agencies.

“(c) PURPOSE, SCOPE, AND STRUCTURE.—

“(1) PURPOSE.—The purpose of the conference shall be to establish an ongoing, self-sustaining national public energy education program to examine and recognize the interactions between energy sources in all forms, including—

“(A) conservation and energy efficiency;

“(B) the role of energy use in the economy; and

“(C) the impact of energy use on the environment.

“(2) SCOPE AND STRUCTURE.—Taking into consideration the purpose described in paragraph (1), the participants in the conference invited under subsection (b) shall design the scope and structure of the program described in subsection (a).

“(d) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and other guidance necessary to carry out the program described in subsection (a).

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

“SEC. 134. ENERGY EFFICIENCY PUBLIC INFORMATION INITIATIVE.

“(a) In General.—The Secretary shall carry out a comprehensive national program, including advertising and media awareness, to inform consumers about—

“(1) the need to reduce energy consumption during the 4-year period beginning on the date of enactment of this Act, for consumers of reducing consumption of electricity, natural gas, and petroleum, particularly during peak use periods;

“(2) the importance of low energy costs to economic growth and preserving manufacturing jobs in the United States; and

“(3) practical, cost-effective measures that consumers can take to reduce consumption of electricity, natural gas, and gasoline, including—

“(A) maintaining and repairing heating and cooling ducts and equipment;

“(B) weatherizing homes and buildings;

“(C) purchasing energy-efficient products; and

“(D) proper tire maintenance.

“(b) COOPERATION.—The program carried out under subsection (a) shall—

“(1) include collaborative efforts with State and local government officials and the private sector; and

“(2) be carried out in consultation with the Administrator of the Small Business Administration and the Secretary of Commerce to ensure that the program is consistent with the programs and activities of the Energy Star program and the Small Business Energy Conservation program.

“(c) PROHIBITION.—The program carried out under subsection (a) shall not expand the role of the Energy Star program or the Small Business Energy Conservation program.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.
incorporate, to the maximum extent practicable, successful State and local public education programs.

(c) REPORT.—Not later than July 1, 2009, the Secretary shall submit to Congress a report describing the effectiveness of the program under this section.

(d) TERMINATION OF AUTHORITY.—The program established under this section shall terminate on December 31, 2010.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the section $90,000,000 for each of fiscal years 2006 through 2010.

SEC. 135. ENERGY CONSERVATION STANDARDS (a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended—

(1) in paragraph (2)—

(A) in subparagraph (D)—

(i) in clause (i), by striking “CT8.1–1991” and inserting “CT8.1–2003 (Data Sheet 7881–ANSI–101–1)”;

(ii) in clause (ii), by striking “CT8.1–1991” and inserting “CT8.1–2003 (Data Sheet 7881–ANSI–1019–1)”;

(iii) in clause (iii), by striking “CT8.1–1991” and inserting “CT8.1–2003 (Data Sheet 7881–ANSI–1019–1)”;

(B) by adding at the end the following:

“(3) by adding at the end the following:

“(1) in paragraph (30)(S)–

(A) The term ‘F90T12’ lamp (also known as a ‘F90T12/ES’ lamp) means a nominal 34 watt tubular fluorescent lamp that is 48 inches in length and 1 1/8 inches in diameter, and conforms to ANSI standard C78.1-2003 (Data Sheet 7881–ANSI–1006–1).

“(B) The term ‘F90T12’ lamp means a nominal 60 watt tubular fluorescent lamp that is 48 inches in length and 1 1/8 inches in diameter, and conforms to ANSI standard C78.1-2003 (Data Sheet 7881–ANSI–3007–1); and

(C) by inserting, to the maximum extent practicable, to the maximum extent practicable.

(2) in paragraph (32) (A)–

(i) has an input voltage of 34.5 kilovolts or less;

(ii) has an output voltage of 600 volts or less;

(iii) is rated for operation at a frequency of 60 Hertz.

(3) The term ‘replacement ballast’ means a ballast that—

(i) is designed for use to replace an existing ballast in a previously installed luminaire;

(ii) is marked ‘FOR REPLACEMENT USE ONLY’;

(iii) is shipped by the manufacturer in packages containing no more than 10 ballasts; and

(iv) has output leads that when fully extended are a total length that is less than the length of the lamp with which the ballast is intended to be used by the fan.

(3) in paragraph (30) (S)–

(A) by inserting ‘(i)’ before ‘The term’; and

(B) by adding at the end the following:

“(ii) The term ‘F90T12/ES’ lamp means a nominal 34 watt tubular fluorescent lamp that is 48 inches in length and 1 1/8 inches in diameter, and conforms to ANSI standard C78.1-2003 (Data Sheet 7881–ANSI–101–1).”

(4) The term ‘replacement ballast’ means a ballast that—

(i) is designed for use to replace an existing ballast in a previously installed luminaire;

(ii) is marked ‘FOR REPLACEMENT USE ONLY’;

(iii) is shipped by the manufacturer in packages containing no more than 10 ballasts; and

(iv) has output leads that when fully extended are a total length that is less than the length of the lamp with which the ballast is intended to be used by the fan.

(5) The term ‘replacement ballast’ means a ballast that—

(i) is designed for use to replace an existing ballast in a previously installed luminaire;

(ii) is marked ‘FOR REPLACEMENT USE ONLY’;

(iii) is shipped by the manufacturer in packages containing no more than 10 ballasts; and

(iv) has output leads that when fully extended are a total length that is less than the length of the lamp with which the ballast is intended to be used by the fan.

(B) The term ‘distribution transformer’ means a transformer that—

(i) has an input voltage of 34.5 kilovolts or less;

(ii) has an output voltage of 600 volts or less;

(iii) is rated for operation at a frequency of 60 Hertz.

(7) The term ‘distribution transformer’ does not include—

(i) a transformer with multiple voltage taps, the highest of which equals at least 20 percent more than the lowest;

(ii) a transformer that is designed to be used in a special purpose application and is unlikely to be used in general purpose applications, such as a drive transformer, rectifier transformer, auto-transformer, Uninterruptible Power System transformer, impedance transformer, regulating transformer, sealed and nonventilating transformer, machine tool transformer, welding transformer, grounding transformer, or testing transformer;

(iii) any transformer not listed in clause (ii) that is excluded by the Secretary by rule because—

(A) the transformer is designed for a special application;

(B) the transformer is unlikely to be used in general purpose applications;

(C) the application of standards to the transformer would not result in significant energy savings.

(8) The term ‘external power supply’ means an external power supply circuit that is used to convert household electric current into DC current or lower-voltage AC current to operate a consumer product.

(9) The term ‘illuminated exit sign’ means a sign that—

(A) is designed to be permanently fixed in place to identify an exit; and

(B) consists of an electrically powered integral light source that—

(i) illuminates the legend ‘EXIT’ and any directional indicators; and

(ii) provides contrast between the legend, any directional indicators, and the background.

(10) The term ‘low-voltage dry-type distribution transformer’ means a distribution transformer that—

(A) has an input voltage of 600 volts or less; and

(B) is air-cooled; and

(C) does not use oil as a coolant.

(11) The term ‘pedestrian module’ means a light signal used to convey movement information to pedestrians.

(12) The term ‘refrigerated bottled or canned beverage vending machine’ means a commercial refrigerator that cools bottled or canned beverages and dispenses the bottled or canned beverages on payment.

(13) The term ‘standby mode’ means the lower-energy consumption mode, as established on an individual product basis by the Secretary, that—

(A) cannot be switched off or influenced by the user; and

(B) may persist for an indefinite time when an appliance is—

(i) connected to the main electricity supply; and

(ii) used in accordance with the instructions of the manufacturer.

(14) The term ‘torchiere’ means a portable electric lamp with a reflector bowl that directs light upward to give indirect illumination.

(15) The term ‘traffic signal’ means a standard 4-inch (200mm) or 12-inch (300mm) traffic signal indication that—

(A) consists of a light source, a lens, and all other parts necessary for operation; and

(B) communicates movement messages to drivers through red, amber, and green colors.

(16) The term ‘transformer’ means a device consisting of 2 or more coils of insulated wire that transfers alternating current by electromagnetic induction from 1 coil to another to change the original voltage or current value.

(17) The term ‘unit heater’ means a self-contained fan-type heater designed to be installed within the heated space.

(18) The term ‘unit heater’ does not include a warm air furnace.

(46) The term ‘high intensity discharge lamp’ means an electric-discharge lamp in which—

(i) the light-producing arc is stabilized by bulb wall temperature; and

(ii) the arc tube has a bulb wall thickness exceeding 3 Watts/cm².

(47) The term ‘high intensity discharge lamp’ includes mercury vapor, metal halide, and high-pressure sodium lamps described in subparagraph (A).

(48) The term ‘mercury vapor lamp’ includes clear, phosphor-coated, and self-ballasted lamps described in subparagraph (A).

(49) The term ‘mercury vapor lamp ballast’ means a device that is designed and marketed to start and operate mercury vapor lamps by providing the necessary voltage and current.

(50) The term ‘nonportable device that is suspended from a ceiling for circulating air via the rotation of fan blades.


(b) TEST PROCEDURES.—Section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6303) is amended—

(1) in subsection (b), by adding at the end the following:

“(9) Test procedures for illuminated exit signs shall be based on the test method used under section 200 of the Energy Star program of the Environmental Protection Agency for illuminated exit signs.”

(B) The Secretary may review and revise the test procedures established under subparagraph (A).

(C) For purposes of section 346(a), the test procedures established under subparagraph (A) shall be considered to be the testing requirements prescribed by the Secretary under section 346(a)(1) for distribution transformers for which the Secretary determines that energy conservation standards would—

(1) be technologically feasible and economically justified, and

(2) result in significant energy savings.

(11) Test procedures for traffic signal mod- ules and pedestrian modules shall be based on the test method used under the Energy Star program of the Environmental Protection Agency for traffic signal modules, as in effect on the date of enactment of this paragraph.

(12) Test procedures for ornamental base compact fluorescent lamps shall be based on the test methods for compact fluorescent lamps used under the August 9, 2001, version of the Energy Star Program Requirements for Energy Saving in Lighting from the Environmental Protection Agency and the Department of Energy.

(B) Except as provided in subparagraph (C), medium base or candelabra base compact fluorescent lamps shall meet all test requirements for regulated parameters of section 325(cc).

(C) Notwithstanding subparagraph (B), if manufacturers develop engineering predictions and analysis that support expected attainment of lumen maintenance at 40 percent rated life and lamp lifetime, medium base compact fluorescent lamps may be manufactured after completion of the testing of lamp life and lumen maintenance at 40 percent of rated life.

(13) Test procedures for dehumidifiers shall be based on the test criteria used under the Energy Star Program Requirements for Dehumidifiers developed by the Environmental Protection Agency, as in effect on the date of enactment of this paragraph unless revised by the Secretary pursuant to this section.

(14) The test procedure for measuring flow rate for refrigerated bottle or canned beverage vending machines shall be based on American Society for Testing and Materials Standard F2234, entitled ‘Standard Test Method for Pre-Rinse Spray Valves’.

(15) The test procedure for refrigerated bottle or canned beverage vending machines shall be based on American National Standards Institute/American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 32.1–2004, entitled ‘Methods of Testing for Rating Vending Machines for Bottled, Canned or Other Sealed Beverages’.


(B) Procedures for ceiling fan light kits shall be based on the test procedures referenced in the Energy Star specifications for Residential Light Fixtures and Compact Fluorescent Light Bulbs, as in effect on the date of enactment of this paragraph.

(B) The Secretary may review and revise the test procedures established under subparagraph (A).

(2) by adding at the end following:

(1) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCT ENERGY CONSERVATION TEST PROCEDURES—

(A) Not later than 8 years after the date of enactment of this subsection, the Secretary shall prescribe test requirements for refrigerated bottle or canned beverage vending machines.

(B) To the maximum extent practicable, the testing requirements prescribed under paragraph (1) shall be based on existing test procedures used in industry.

(1) STANDARD SETTING AUTHORITY.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6265) is amended by—

(1) in subsection (I)(A), by adding at the end following:

(1) By the end of the following:

(1) POST-CONSTRUCTION OPERATIONAL ENERGY CONSUMPTION—

(A) The Secretary shall—

(1) test procedures and energy conservation standards, taking into consideration standby mode energy consumption, the Secretary shall consider whether to incorporate standby mode into the test procedures and energy conservation standards, taking into account standby mode power consumption compared to overall product energy consumption.

(B) The Secretary shall not propose an energy conservation standard under this section, unless the Secretary has issued applicable test procedures for each product under section 322.

(C) Any energy conservation standard issued under this subsection shall be applicable to products manufactured or imported beginning on the date that is 3 years after the date of issuance.

(D) The Secretary and the Administrator shall collaborate and develop programs (including programs under section 324A and other voluntary industry agreements or codes of conduct) that are designed to reduce standby mode energy use.

(E) CEILING FANS AND REFRIGERATED BEVERAGE VENDING MACHINES.—(4) Not later than 1 year after the date of enactment of this subsection, the Secretary shall prescribe, by rule, test procedures and energy conservation standards for ceiling fans and ceiling fan light kits.

(F) The Secretary shall use the criteria and procedures prescribed under subsections (o) and (p).

(4) Any energy conservation standard prescribed under this subsection shall apply to or after the date of publication of a final rule establishing the energy conservation standard.
whether the energy conservation standards established under paragraph (1) shall be amended.

(ii) The final rule published under subparagraph (A) shall—

(A) contain any amendment by the Secretary; and

(B) provide that the amendment applies to products manufactured on or after October 1, 2012.

(3) If the Secretary does not publish an amendment that takes effect by October 1, 2012, pursuant to the requirements established under subsection (l), (u), or (v) for ceiling fan light kits described in subparagraph (A) that was developed under section (l), (u), or (v) beginning on the date on which the final rule is issued by the Secretary, except that any state or local standard prescribed or enacted before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (l), (u), or (v) for ceiling fan light kits takes effect.

(4) Notwithstanding any other provision of this Act, the Secretary may, and issue, if the requirements of subsections (o) and (p) are met, energy efficiency or energy use standards for ceiling fan light kits.

(b) Any amended standards issued under subparagraph (A) shall apply to products manufactured not earlier than 2 years after the date of publication of the final rule establishing the amended standard.

(c) Nothing in this section shall preclude the Secretary from establishing different standards for, certain product classes for which the primary standards are not technically feasible or economically justified; and

(d) establishing separate exempted product classes for highly decorative fans for which air movement performance is a secondary design feature.

(7) Section 327 shall apply to the products covered in paragraphs (1) through (4) beginning on the date of enactment of this subsection, except that any State or local amendment for ceiling fan lights prescribed or enacted before the date of enactment of this subsection shall not be preempted until the labeling requirements applicable to ceiling fan lights established under section 327 take effect.

(gg) APPLICATION DATE.—Section 327 applies—

(i) to products for which energy conservation standards are to be established under subsection (i), (u), or (v) beginning on the date on which the final rule is issued by the Secretary, except that any State or local standard prescribed or enacted before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (i), (u), or (v) for the product takes effect; and

(ii) to products for which energy conservation standards are established under subsections (o) through (ff) on the date of enactment of those subsections, except that any State or local standard prescribed or enacted before the date of enactment of those subsections shall not be preempted until the energy conservation standards established under subsections (o) through (ff) take effect.

(gg) GENERAL RULE OF PREEMPTION.—Section 327(c) of the Energy Policy and Conservation Act (42 U.S.C. 6297(c)) is amended—

(1) in paragraph (3), by striking “or” at the end; and

(2) in paragraph (6), by striking the period at the end and inserting “; or”;

(3) by adding at the end the following:

(“T”) is a regulation concerning standards for commercial pretense spray valves adopted by the California Energy Commission before January 1, 2005; or

“B” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations with changes in American Society for Testing and Materials Standard F2334; and

“E” is a regulation concerning standards for pedestrian modules adopted by the California Energy Commission before January 1, 2005; or

“F” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations to changes in the Institute for Transportation Engineers standards and entitled Performance Specification: Pedestrian Traffic Control Signal Indications.”.

SEC. 138. ENERGY CONSERVATION STANDARDS FOR COMMERCIAL EQUIPMENT.

(a) DEFINITIONS.—In this section, the term “Energy Policy and Conservation Act” means—

(1) shall include the lamps described in clause (ii) in the ceiling fan lighting kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(4) (A) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(B) Any amended standards issued under subparagraph (A) shall apply to products manufactured not earlier than 2 years after the date of publication of the final rule establishing the amended standard.

(4) Notwithstanding any other provision of this Act, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(5) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(6) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(b) Any amended standards issued under subparagraph (A) shall apply to products manufactured not earlier than 2 years after the date of publication of the final rule establishing the amended standard.

(c) Nothing in this section shall preclude the Secretary from establishing different standards for, certain product classes for which the primary standards are not technically feasible or economically justified; and

(d) establishing separate exempted product classes for highly decorative fans for which air movement performance is a secondary design feature.

(7) Section 327 shall apply to the products covered in paragraphs (1) through (4) beginning on the date of enactment of this subsection, except that any State or local amendment for ceiling fan lights prescribed or enacted before the date of enactment of this subsection shall not be preempted until the labeling requirements applicable to ceiling fan lights established under section 327 take effect.

(99) APPLICATION DATE.—Section 327 applies—

(i) to products for which energy conservation standards are to be established under subsection (i), (u), or (v) beginning on the date on which the final rule is issued by the Secretary, except that any State or local standard prescribed or enacted before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (i), (u), or (v) for the product takes effect; and

(ii) to products for which energy conservation standards are established under subsections (o) through (ff) on the date of enactment of those subsections, except that any State or local standard prescribed or enacted before the date of enactment of those subsections shall not be preempted until the energy conservation standards established under subsections (o) through (ff) take effect.

(gg) GENERAL RULE OF PREEMPTION.—Section 327(c) of the Energy Policy and Conservation Act (42 U.S.C. 6297(c)) is amended—

(1) in paragraph (3), by striking “or” at the end; and

(2) in paragraph (6), by striking the period at the end and inserting “; or”;

(3) by adding at the end the following:

“T” is a regulation concerning standards for commercial pretense spray valves adopted by the California Energy Commission before January 1, 2005; or

“B” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations with changes in American Society for Testing and Materials Standard F2334; and

“E” is a regulation concerning standards for pedestrian modules adopted by the California Energy Commission before January 1, 2005; or

“F” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations to changes in the Institute for Transportation Engineers standards and entitled Performance Specification: Pedestrian Traffic Control Signal Indications.”.

SEC. 138. ENERGY CONSERVATION STANDARDS FOR COMMERCIAL EQUIPMENT.

(a) DEFINITIONS.—In this section, the term “Energy Policy and Conservation Act” means—

(1) shall include the lamps described in clause (ii) in the ceiling fan lighting kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(5) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(6) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(ii) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(b) Any amended standards issued under subparagraph (A) shall apply to products manufactured not earlier than 2 years after the date of publication of the final rule establishing the amended standard.

(c) Nothing in this section shall preclude the Secretary from establishing different standards for, certain product classes for which the primary standards are not technically feasible or economically justified; and

(d) establishing separate exempted product classes for highly decorative fans for which air movement performance is a secondary design feature.

(7) Section 327 shall apply to the products covered in paragraphs (1) through (4) beginning on the date of enactment of this subsection, except that any State or local amendment for ceiling fan lights prescribed or enacted before the date of enactment of this subsection shall not be preempted until the labeling requirements applicable to ceiling fan lights established under section 327 take effect.

(99) APPLICATION DATE.—Section 327 applies—

(i) to products for which energy conservation standards are to be established under subsection (i), (u), or (v) beginning on the date on which the final rule is issued by the Secretary, except that any State or local standard prescribed or enacted before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (i), (u), or (v) for the product takes effect; and

(ii) to products for which energy conservation standards are established under subsections (o) through (ff) on the date of enactment of those subsections, except that any State or local standard prescribed or enacted before the date of enactment of those subsections shall not be preempted until the energy conservation standards established under subsections (o) through (ff) take effect.

(gg) GENERAL RULE OF PREEMPTION.—Section 327(c) of the Energy Policy and Conservation Act (42 U.S.C. 6297(c)) is amended—

(1) in paragraph (3), by striking “or” at the end; and

(2) in paragraph (6), by striking the period at the end and inserting “; or”;

(3) by adding at the end the following:

“T” is a regulation concerning standards for commercial pretense spray valves adopted by the California Energy Commission before January 1, 2005; or

“B” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations with changes in American Society for Testing and Materials Standard F2334; and

“E” is a regulation concerning standards for pedestrian modules adopted by the California Energy Commission before January 1, 2005; or

“F” is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations to changes in the Institute for Transportation Engineers standards and entitled Performance Specification: Pedestrian Traffic Control Signal Indications.”.
(A) The term ‘commercial refrigerator, freezer, and refrigerator-freezer’ means a factory-made assembly of refrigerating components that is remotely located from the refrigerated equipment and consists of 1 or more refrigerant compressors, refrigerant condensers, condenser fans and motors, and factory supplied accessories.

(B) The term ‘small commercial package air conditioning and heating equipment’ means commercial package air conditioning and heating equipment that is manufactured below 135,000 Btu per hour (cooling capacity).

(C) The term ‘commercial refrigerator, freezer, and refrigerator-freezer’ means air-cooled central air conditioning and heating equipment manufactured before January 1, 1994.

(D) The term ‘very large commercial package air conditioning and heating equipment’ means commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(E) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(F) The term ‘self-contained condensing unit’ means a factory-made assembly of refrigerating components designed to comply with the specific refrigerant that is remotely located from the refrigerated equipment and consists of 1 or more refrigerant compressors, refrigerant condensers, condenser fans and motors, and factory supplied accessories.

(G) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(H) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(I) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(J) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(K) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(L) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(M) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(N) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(O) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(P) The term ‘self-contained condensing unit’ means a factory-made assembly of refrigerating components designed to comply with the specific refrigerant that is remotely located from the refrigerated equipment and consists of 1 or more refrigerant compressors, refrigerant condensers, condenser fans and motors, and factory supplied accessories.

(Q) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(R) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(S) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(T) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(U) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(V) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(W) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(X) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.

(Y) The term ‘very large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 10.6 or more.

(Z) The term ‘large commercial package air conditioning and heating equipment’ means large commercial package air conditioning and heating equipment that has an energy efficiency ratio of 11.0 or more.
“(c) COMMERCIAL REFRIGERATORS, FREEZERS, AND REFRIGERATOR-FREEZERS.—(1) In this subsection:

“(A) The term ‘AV’ means the adjusted volume (ft\(^3\)) (defined as 1.63 x frozen temperature compartment volume (ft\(^3\)) + chilled temperature compartment volume (ft\(^3\)) with compartment volumes measured in accordance with the Association of Home Appliance Manufacturers Standard HRFPI-1979.

“(B) The term ‘V’ means the chilled or frozen compartment volume (ft\(^3\)) (as defined in the Association of Home Appliance Manufacturers Standard HRFPI-1979).

“(C) Other terms have such meanings as may be established by the Secretary, based on industry-accepted definitions and practice.

“(2) Each commercial refrigerator, freezer, and refrigerator-freezer with a self-contained condensing unit designed for holding temperature applications manufactured on or after January 1, 2010, shall have a daily energy consumption (in kilowatt hours per day) that does not exceed the following:

- Refrigerators with solid doors: 0.10 V + 2.04
- Refrigerators with transparent doors: 0.12 V + 3.34
- Freezers with solid doors: 0.40 V + 1.38
- Freezers with transparent doors: 0.75 V + 4.10

- Refrigerators/freezers with solid doors: 0.27 AV – 0.71 or 0.70, whichever is the greater.

“(3) Each commercial refrigerator with a self-contained condensing unit designed for pull-down temperature applications and transparent doors manufactured on or after January 1, 2010, shall have a daily energy consumption (in kilowatt hours per day) of not more than 0.126 V \(+\) 3.31.

“(4)(A) Not later than January 1, 2009, the Secretary shall issue, by rule, standard levels for ice-cream freezers, self-contained commercial refrigerators, freezers, and refrigerator-freezers without doors, and remote condensing commercial refrigerators, freezers, and refrigerator-freezers, with the standard levels effective for equipment manufactured on or after January 1, 2012.

“(B) The Secretary may issue, by rule, standard levels for other types of commercial refrigerators, freezers, and refrigerator-freezers not covered by paragraph (2)(A) with the standard levels effective for equipment manufactured 3 or more years after the date on which the final rule is published.

“(5)(A) Not later than January 1, 2013, the Secretary shall issue a final rule to determine whether the standards established under this subsection should be amended.

“(B) Not later than 3 years after the effective date of any amended standards under subparagraph (A) or the publication of a final rule determining that the standards should not be amended, the Secretary shall issue a final rule to determine whether the standards established under this subsection or the amended standards, as applicable, should be amended.

“(C) If the Secretary issues a final rule under subparagraph (A) or (B) establishing amended standards, the final rule shall provide that the amended standards apply to products manufactured on or after the date that is—

“(i) 3 years after the date on which the final amended standard is published; or

“(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final rule is published.

“(D) STANDARDS FOR AUTOMATIC COMMERCIAL ICE MAKERS.—Section 342 of the Energy Policy and Conservation Act (42 U.S.C. 6313) (as amended by subsection (c)) is amended by adding at the end the following:

“(4) AUTOMATIC COMMERCIAL ICE MAKERS.—

“(1) Each automatic commercial ice maker that produces cube type ice with capacities between 50 and 2500 pounds per 24-hour period when tested according to the test standard established in section 343(a)(7) and is manufactured on or after January 1, 2010, shall meet the following standard levels:

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Type of Cooling</th>
<th>Harvest Rate (lbs ice/24 hours)</th>
<th>Maximum Energy Use (kWh/100 lbs Ice)</th>
<th>Maximum Condenser Water Use (gal/240 lbs Ice)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ice Making Head</td>
<td>Water</td>
<td>&lt;500</td>
<td>7.80-0.0055H</td>
<td>200-0.022H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥500 and &lt;1436</td>
<td>3.58-0.0011H</td>
<td>200-0.022H</td>
</tr>
<tr>
<td></td>
<td>Air</td>
<td>0</td>
<td>≥1436</td>
<td>4.0</td>
</tr>
<tr>
<td>Ice Making Head</td>
<td>Air</td>
<td>&lt;450</td>
<td>10.26-0.0086H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥450</td>
<td>6.89-0.0011H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing (but not remote compressor)</td>
<td>Air</td>
<td>≤1000</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing and Remote Compressor</td>
<td>Air</td>
<td>&lt;934</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Water</td>
<td>&lt;200</td>
<td>11.40-0.019H</td>
<td>191-0.0315H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥200</td>
<td>7.60</td>
<td>191-0.0315H</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Air</td>
<td>&lt;175</td>
<td>18.0-0.0469H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥175</td>
<td>9.80</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

\(H = \) Harvest rate in pounds per 24 hours.

Water use is for the condenser only and does not include potable water used to make ice.
(A) A Modified Energy Factor of at least 1.25; (B) A Water Factor of not more than 9.5.

(2)(A) Not later than January 1, 2010, the Secretary shall publish a notice in the Federal Register stating the intent of the Secretary to wait not longer than 1 additional year before putting into effect an amendment to the test procedure.

(ii) If a new test procedure is adopted under clause (i), the Secretary shall publish a notice in the Federal Register stating the intent of the Secretary to wait not longer than 1 additional year before putting into effect the amended test procedure.

(iii) If the Secretary determines that 180 days is an insufficient period during which to review and adopt the amended test procedure or rating procedure in subparagraph (A), the Secretary shall publish a notice in the Federal Register stating the intent of the Secretary to wait not longer than 1 additional year before putting into effect the amended test procedure.

(3) Any State or local standard issued before the date of enactment of this subsection shall not be preempted by the Secretary, except that any State or local standard that is not consistent with the amended test procedures specified in the American National Standards Institute Standard, the American Society for Testing and Materials Standard, or the American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard, as in effect on January 1, 2010, shall be preempted.

(i) The rule published under clause (i) shall apply to products manufactured 3 years after the date on which the final amended standard is published.

(ii) The rule published under clause (i) shall provide that any amended standard shall apply to products manufactured 3 years after the date on which the final amended standard is published.

(f) TEST PROCEDURES.—Section 343 of the Energy Policy and Conservation Act (42 U.S.C. 6314) is amended—

(i) in section 325, subsections (a), (A) in paragraph (4)—

(ii) in subparagraph (A), by inserting “very large commercial package air conditioning and heating equipment,” after “large commercial package air conditioning and heating equipment,”

(iii) in subparagraph (B), by inserting “very large commercial package air conditioning and heating equipment,” after “large commercial package air conditioning and heating equipment,”

(B) Any State or local standard issued before the date of enactment of this subsection shall not be preempted by the Secretary, except that any State or local standard that is not consistent with the amended test procedures specified in the American National Standards Institute Standard, the American Society for Testing and Materials Standard, or the American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard, as in effect on January 1, 2010, shall be preempted.

(i) The Secretary shall comply with section 323(e) in establishing any amended test procedure under this subparagraph.

(ii) With respect to commercial clothes washers, the test procedures shall be the same as the test procedures established by the Secretary for residential clothes washers under section 325(a),

(ii) in subsection (d)(1), by inserting “very large commercial package air conditioning and heating equipment, commercial refrigerators, freezers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes washers, after “large commercial package air conditioning and heating equipment,”

(g) LABELING.—Section 344(e) of the Energy Policy and Conservation Act (42 U.S.C. 6315(e)) is amended by inserting “very large commercial package air conditioning and heating equipment, commercial refrigerators, freezers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes washers, after “large commercial package air conditioning and heating equipment,”

(h) ADMINISTRATION, PENALTIES, ENFORCEMENT, AND PREEMPTION.—Section 345 of the Energy Policy and Conservation Act (42 U.S.C. 6316) is amended—

(i) in the case of self-contained refrigerators, freezers, and refrigerator-freezers to which standards are applicable under paragraphs (2) and (3) of section 342(c), the initial test procedures shall be the ASHRAE 117 test procedure that is in effect on January 1, 2005.

(ii) In the case of commercial refrigerators, freezers, and refrigerator-freezers to which standards are applicable under paragraphs (2) and (3) of section 342(c), the initial test procedures shall be the ASHRAE 117 test procedure that is in effect on January 1, 2005.

(iii) In the case of any commercial refrigerator, freezer, or refrigerator-freezer to which standards are applicable under paragraphs (2) and (3) of section 342(c), the initial test procedures shall be the ASHRAE 117 test procedure that is in effect on January 1, 2005.

(iv) The Secretary shall, to the maximum extent practicable, encourage the establishment of at least 2 independent testing and certification programs.

(v) As part of certification, information on equipment energy use and interior volume shall be available to the public.

(vi) Except as provided in clause (ii), section 327 shall apply to automatic commercial refrigerators, freezers, and refrigerator-freezers.
ice makers for which standards have been established under section 342(d)(1) to the same extent and in the same manner as the section applies under part A on the date of enactment of this subsection.

(ii) Not later than 2 years after the date of enactment of this subparagraph, the Commission shall complete the rulemaking initiated under clause (i).

(G) Not later than 18 months after the date of enactment of this subparagraph, the Commission shall issue by rule, in accordance with this section, labeling requirements for the electricity use and efficiency of commercial clothes washers in a roster as described in subsection (a).

(i) The rule issued under clause (i) shall apply to products manufactured after the later of-

(1) January 1, 2009; or

(2) the date on which the Secretary publishes a final rule for commercial clothes washers within the timeframe specified in section 342(e)(2), subsection (b) of the section applying to the specific type of automatic commercial ice maker for the period beginning on the day after the scheduled date for a final rule and ending on the date on which the Secretary publishes a final rule covering the specific type of automatic commercial ice maker.

(B) Any State standard issued before the publication of the final rule shall not be preempted until the standards established in the final rule take effect.

(4)(A) A State that receives financial assistance under section 325(y) apply, labeling requirements shall be based on the standards established under section 325(a)(2).

(B) If the Secretary finds that there has been a substantial amount of manipulation with respect to harvest rates under subparagraph (A), the Secretary shall take steps to minimize the manipulation, such as requiring harvest rates to be within 5 percent of tested values.

(g)(1)(A) If the Secretary does not issue a final rule for commercial clothes washers within the timeframe specified in section 342(d)(2), subsection (b) of the section applying to the specific type of automatic commercial ice maker for the period beginning on the day after the scheduled date for a final rule and ending on the date on which the Secretary publishes a final rule covering commercial clothes washers.

(B) Any State or local standard issued before the date on which the Secretary publishes a final rule shall not be preempted until the standards established under section 342(e)(2) take effect.

(2) the cost savings derived from reduced maintenance requirements;

(3) other such issues as the Administrator considers appropriate.

(4) A State that receives financial assistance under section 325(y) apply, labeling requirements shall be based on the standards established under section 325(a)(2).

(B) In the case of products to which TP–1 standards under section 325(y) apply, labeling requirements shall be based on the ‘Standard Transformer Efficiency’ prescribed by the National Electrical Manufacturers Association (NEMA TP–3) as in force on the date of enactment of this paragraph.

(C) In the case of dehumidifiers covered under sections (u) through (ff) of section 325, the Secretary or the Commission, as appropriate, may prescribe, by rule, under this section labeling requirements for the products.

(b) In the case of products to which TP–1 standards under section 325(y) apply, labeling requirements shall be based on the ‘Standard Distribution Transformer Efficiency’ prescribed by the National Electrical Manufacturers Association (NEMA TP–3) as in force on the date of enactment of this paragraph.

(f) A State that receives financial assistance under section 325(y) apply, labeling requirements shall be based on the standards established under section 325(a)(2).

(b) If the Secretary finds that there has been a substantial amount of manipulation with respect to harvest rates under subparagraph (A), the Secretary shall take steps to minimize the manipulation, such as requiring harvest rates to be within 5 percent of tested values.

(1) the energy end–cost savings derived from the use of intermittent escalators;

(2) the cost savings derived from reduced maintenance requirements;

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010, to remain available until expended.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010, to remain available until expended.

Sec. 175. PUBLIC HOUSING CAPITAL FUND. Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended—

(a)(1) in subsection (d)(1)—

(i) in subparagraph (I), by striking ‘and’ and ‘at the end of’.

(b) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(c) by adding at the end the following new subparagraphs:

(1) the findings of the study; and

(2) any recommendations of the Secretary, including recommendations on model policies to promote energy efficiency programs.
SEC. 154. ENERGY STRATEGY FOR HUD.

The Secretary of Housing and Urban Development shall, after implementing an integrated strategy to reduce utility expenses through cost-effective energy conservation and efficiency measures and energy efficient design and construction, implement a strategy to reduce energy expenses of public and assisted housing. The energy strategy shall include the development of energy reduction goals and incentives for public housing agencies. The Secretary shall submit a report to the Congress, not later than 1 year after the date of the enactment of this Act, on the energy strategy and the actions taken by the Department of Housing and Urban Development to implement the strategy. Each public housing agency and each assisted housing entity shall submit an update every 2 years thereafter on progress in implementing the strategy.

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

SEC. 201. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) RESOURCE ASSESSMENT.—Not later than 6 months after the date of enactment of this Act, and each year thereafter, the Secretary shall review the available assessments of renewable energy resources within the United States, including solar, wind, biomass, ocean (including tidal, wave, current, and thermal), and hydroelectric energy resources, and undertake new assessments as necessary, taking into account changes in market conditions, available technologies, and other factors.

(b) CONTENTS OF REPORT.—Not later than 1 year after the date of enactment of this Act, and each year thereafter, the Secretary shall publish a report based on the assessment under subsection (a). The report shall contain—

(1) a detailed inventory describing the available amount and characteristics of the renewable energy resources;

(2) such other information as the Secretary believes would be useful in developing such renewable energy resources, including descriptions of surrounding terrain, population and load centers, nearby energy infrastructure, location of energy and water resources, and available estimates of the costs needed to develop each resource, together with an identification of any barriers to providing adequate transmission for remote sources of renewable energy resources to current or anticipated energy demands for removing or addressing such barriers, and ways to provide access to the grid that do not unfairly disadvantage renewable or other energy producers;

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated $10,000,000 for each of fiscal years 2006 through 2010.

SEC. 202. RENEWABLE ENERGY PRODUCTION INCENTIVE.

(a) INCENTIVE PAYMENTS.—Section 1212(a) of the Energy Policy Act of 1992 (42 U.S.C. 13317(a)) is amended—

(1) by striking “within 1 year after the date of the enactment of the Energy Policy Act of 1992” and inserting “September 30, 2006”;

(2) in subsection (b), by inserting “and” at the end; and

(3) in subsection (c), by inserting “and” at the end.

(b) ELIGIBILITY.—Section 1212(f) of the Energy Policy Act of 1992 (42 U.S.C. 13317(f)) is amended by striking subsection (g) and inserting the following:

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2006 through 2026, to remain available until expended.”.
wood wastes), and landscape or right-of-way tree trappings, but not including municipal solid waste (garbage), gas derived from the bio-degradation of solid waste, or paper that is commonly recycled. 

(C) agriculture wastes, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues, and livestock waste (manure,

(D) a plant that is grown exclusively as a fuel for the production of electricity.

(2) Renewable energy. — The term “renewable energy” means electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.

(c) Calculation. — For purposes of determining compliance with the requirements of this section, the amount of renewable energy shall be doubled if—

(1) the renewable energy is produced and used on-site at a Federal facility;

(2) the renewable energy is produced on Federal lands and used at a Federal facility; or


(d) First report. — Not later than April 15, 2007, and every 2 years thereafter, the Secretary shall provide a report to Congress on the progress of the Federal Government in meeting the goals established by this section.

SEC. 204. USE OF PHOTOVOLTAIC ENERGY IN PUBLIC BUILDINGS.

(a) In general. — Subchapter VI of chapter 31 of title 41, United States Code, is amended by adding at the end the following:

“§ 3177. Use of photovoltaic energy in public buildings

(1) Photovoltaic energy commercialization program. —

(1) In general. — The Administrator of General Services may establish a photovoltaic energy commercialization program for the procurement and installation of photovoltaic solar electric systems for electric production in new and existing public buildings.

(2) Purposes. — The purposes of the program shall be to accomplish the following:

(A) to foster the growth of a commercially viable photovoltaic industry to make this energy system available to the public generally as an option which can reduce the national consumption of a fossil fuel;

(B) to reduce the fossil fuel consumption and costs of the Federal Government.

(C) to foster the goal of installing solar energy systems in 20,000 Federal buildings by 2010, as contained in the Federal Government’s Million Solar Roof Initiative of 1997.

(3) Acquisition of photovoltaic solar electric systems. —

(A) In general. — The program shall provide for the acquisition of photovoltaic solar electric systems and associated storage capability for use in public buildings.

(B) Acquisition goals. — The acquisition of photovoltaic solar electric systems shall be at a level substantial enough to allow use of low-cost production techniques with at least 150 megawatts (peak) of capacity acquired during the 5 years of the program.

(4) Administration. — The Administrator shall administer the program and shall —

(A) and regulations as may be appropriate to monitor and assess the performance and operation of photovoltaic solar electric systems installed pursuant to this subsection;

(B) develop innovative procurement strategies for the acquisition of such systems; and

(C) transmit an annual report on the results of the program.

(b) Photovoltaic systems evaluation program. —

(1) In general. — Not later than 60 days after the date of enactment of this section, the Administrator shall establish a photovoltaic solar electric systems evaluation program to evaluate the performance and operation of such photovoltaic solar energy systems as are required in public buildings.

(2) Program requirement. — In evaluating photovoltaic solar electric systems under the program, the Administrator shall ensure that such systems reflect the most advanced technology.

(c) Authorization of appropriations. —

(1) Photovoltaic energy commercialization program. — There are authorized to be appropriated—

(A) $50,000,000 for fiscal year 2006 and each of fiscal years 2007 through 2010. Such sums shall remain available until expended.

(B) $200,000,000 for fiscal year 2008; $150,000,000 for fiscal year 2009; $100,000,000 for fiscal year 2010.

(2) Photovoltaic systems evaluation program. — There are authorized to be appropriated—

(A) $50,000,000 for fiscal years 2006 through 2010. Such sums shall remain available until expended.

(B) $200,000,000 for fiscal year 2008; $150,000,000 for fiscal year 2009; $100,000,000 for fiscal year 2010.

(3) Amount of rebate. —

(A) In general. — Section 415(c) of the Energy Conservation and Production Act (42 U.S.C. 6865(c)) is amended—

(1) in paragraph (1), by striking “in paragraphs (3) and (4);” and inserting “in paragraph (4);”

(2) in paragraph (3), by striking “$2,500 per dwelling unit average provided in paragraph (1) and inserting “$10,000,000 for each of fiscal years 2006 through 2010. Such sums shall remain available until expended.”;

(3) $200,000,000 for fiscal year 2006 and each of fiscal years 2007 through 2010. Such sums shall remain available until expended.

(d) Renewable energy security. —

(A) Weatherization. — Section 415(c) of the Energy Conservation and Production Act (42 U.S.C. 6865(c)) is amended—

(1) in paragraph (1), by striking “in paragraphs (3) and (4);” and inserting “in paragraph (4);”

(2) in paragraph (3), by striking “$2,500 per dwelling unit average provided in paragraph (1)” and inserting “$10,000,000 for each of fiscal years 2006 through 2010. Such sums shall remain available until expended.”;

(3) by adding at the end the following new paragraphs:

(4) The expenditure of financial assistance provided under this part for labor, weatherization, and related matters for a renewable energy system shall not exceed an average of $3,000 per dwelling unit.

(5)(A) The Secretary shall by regulations—

(i) establish the criteria which are to be used in prescribing performance and quality standards under paragraph (6) of title 42, United States Code, in residential buildings.

(B) The Secretary shall make a final determination that any form of renewable energy under paragraph (6) of title 42, United States Code, in residential buildings.

(C) The Secretary shall publish a report of any request under subparagraph (A)(i) which has been denied during the preceding month and the reasons for the denial.

(D) The Secretary shall not pay any form of renewable energy under paragraph (6) of title 42, United States Code, in residential buildings.

(ii) shall notify the Secretary of any new, or reasonably suspected to be, environmentally hazardous or a threat to public health or safety

(iii) available Federal subsidies do not make such specification unnecessary or inappropriate (in the light of the most advantageous allocation of economic resources).

(6) In this subsection—

(A) the term “renewable energy system” means the following—

(i) when installed in connection with a dwelling, transmits or uses—

(1) solar energy, derived from the geothermal reservoir or energy derived from biomass, or another form of renewable energy which the Secretary specifies by regulations, for the purpose of heating or cooling such dwelling or providing hot water or electricity for use within such dwelling; or

(II) wind energy for nonbusiness residential purposes;

(ii) meets the performance and quality standards (if any) which have been prescribed by the Secretary by regulations;

(iii) in the case of a combustion rated system, has a thermal efficiency rating of at least 75 percent; and

(iv) in the case of a solar system, has a thermal efficiency rating of at least 15 percent; and

(B) the term “biomass” means any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood wastes and residues, garbage (including aquatic plants), grasses, residues, fibers, and animal and municipal wastes, and other waste materials.

(7) Bioreactors. — Section 569 of the Energy Policy Act is amended by inserting after the following:

“Sec. 750. Use of photovoltaic energy in public buildings.”

(b) REBATE PROGRAM. —

(1) Establishment. — The Secretary shall establish a program providing rebates for consumers for expenditures made for the installation of renewable energy systems in connection with a dwelling unit or small business.

(2) Amount of rebate. — Rebates provided under the program established under paragraph (1) shall be in an amount not to exceed the lesser of—

(A) 25 percent of the expenditures described in paragraph (1) made by the consumer; or

(B) $3,000.

(3) Definition. — For purposes of this subsection, the term “renewable energy system” has the meaning given in section 415(c) of the Energy Conservation and Production Act (42 U.S.C. 6865(c)) in residential buildings.

(4) Authorization of appropriations. —

There are authorized to be appropriated to the Secretary for carrying out this subsection, to remain available until expended—

(A) $150,000,000 for fiscal year 2006;

(B) $100,000,000 for fiscal year 2007;

(C) $200,000,000 for fiscal year 2008;

(D) $250,000,000 for fiscal year 2009; and

(E) the Secretary shall transmit to Congress an annual report on the progress of the Secretary in meeting the goals established by this section.

(5) Authorization of appropriations. —

There are authorized to be appropriated to the Secretary for carrying out this section, to remain available until expended—

(A) the Secretary shall develop a procedure under which a manufacturer of a renewable energy system in the Federal Government may request the Secretary to certify that the item will be treated, for purposes of this section, as a renewable energy system.

(B) The Secretary shall make a final determination with respect to any request filed under subparagraph (A) after the filing of the request, together with any information required to be filed with such request under subparagraph (A)(ii).

(C) Each year the Secretary shall publish a report of any request under subparagraph (A)(ii) which has been denied during the preceding month and the reasons for the denial.

(D) The Secretary shall not pay any form of renewable energy under paragraph (6) of title 42, United States Code, in residential buildings.

(6) RENEWABLE FUEL INVENTORY. — Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit to Congress a report—

(1) an inventory of renewable fuels available for consumers; and

(2) such other information as the Secretary determines necessary in carrying out the purposes of this section.

(7) Authorization of appropriations. —

There are authorized to be appropriated to the Secretary for carrying out this subsection, to remain available until expended—

(A) such other information as the Secretary determines necessary in carrying out the purposes of this section.

(B) the Secretary shall transmit to Congress a report—

(1) an inventory of renewable fuels available for consumers; and

(2) such other information as the Secretary determines necessary in carrying out the purposes of this section.

(8) Authorization of appropriations. —

There are authorized to be appropriated to the Secretary for carrying out this section, to remain available until expended—

(A) such other information as the Secretary determines necessary in carrying out the purposes of this section.

(B) the Secretary shall transmit to Congress a report—

(1) an inventory of renewable fuels available for consumers; and

(2) such other information as the Secretary determines necessary in carrying out the purposes of this section.
(2) a projection of future inventories of renewable fuels based on the incentives provided in this section.

SEC. 207. INSTALLATION OF PHOTOVOLTAIC SYSTEMS.

There is authorized to be appropriated to the General Services Administration to install a photovoltaic system, as set forth in the Sun Wall Design Team Report of the Department of Energy located at 1000 Independence Avenue Southwest in the District of Columbia, commonly known as the Forrestal Building, $300,000 for fiscal year 2006. Such sums shall remain available until expended.

SEC. 208. SUGAR CANE ETHEROL PROGRAM.

(a) DEFINITION OF PROGRAM.—In this section, the term program means the Sugar Cane Ethanol Program established by subsection (b).

(b) ESTABLISHMENT.—There is established within the Environmental Protection Agency a program to be known as the Sugar Cane Ethanol Program.

(c) PROJECT.—

(1) IN GENERAL.—Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall establish a project that—

(A) carries out in multiple States—

(i) for each of which is produced cane sugar that is eligible for loans under section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7727), or a similar subsequent authority; and

(ii) at the option of each such State, that have an incentive program that requires the use of ethanol in the State; and

(B) designed to study the production of ethanol from cane sugar, sugarcane, and sugar-cane byproducts.

(2) REQUIREMENTS.—A project described in paragraph (1) shall—

(A) be limited to sugar producers and the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii, divided equally among the States, to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugar-cane byproducts;

(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and

(C) not last more than 3 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000, to remain available until expended.

SEC. 209. RURAL AND REMOTE COMMUNITY ELECTRIFICATIONGRANTS.

The Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended in title VI by adding at the end the following:

SEC. 609. RURAL AND REMOTE COMMUNITIES ELECTRIFICATIONGRANTS.

“(a) DEFINITIONS.—In this section:

(1) The term eligible grantee means a local government or municipality, peoples’ utility district, irrigation district, and cooperative, non-profit, or limited-dividend association in a rural area.

(2) The term incremental hydropower means additional generation achieved from increased efficiency after January 1, 2005, at a hydroelectric dam that was placed in service before January 1, 2005.

(3) The term renewable energy means electricity generated from—

(A) a renewable energy source; or

(B) hydrogen, other than hydrogen produced from a fossil fuel, that is produced from a renewable energy source.

(4) The term renewable energy source means—

(A) wind;

(B) ocean waves; or

(C) biomass;

(5) The term rural area means a city, town, or unincorporated area that has a population of not more than 10,000 inhabitants.

(6) The term geothermal energy means—

(A) the use of geothermal energy resources or affordable energy; and

(B) the use of geothermal energy resources or affordable energy.

(7) The term biomass means—

(A) plant material;

(B) a project described in paragraph (1) shall—

(A) be limited to sugar producers and the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii, divided equally among the States, to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugar-cane byproducts;

(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and

(C) not last more than 3 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000, to remain available until expended.

SEC. 210. GRANTS TO IMPROVE THE COMMERCIAL VOLUME OF TRANSPORTATION FUEL FROM BIOMASS OR INCREASE ELECTRICITY, USEFUL HEAT, TRANSPORTATION FUELS, AND OTHER COMMERCIAL PURPOSES.

(a) DEFINITIONS.—In this section:

(1) BIOMASS.—The term biomass means—

(A) plant material; or

(B) any similar unit of local government (as determined by the Secretary concerned) that

(i) has a population of not more than 50,000 individuals; and

(ii) the Secretary concerned, in the sole discretion of the Secretary concerned, determines contains or is located near Federal or Indian land, or uses biomass as a raw material to produce electricity, sensible heat, or transportation fuels to offset the costs incurred to purchase biomass for use by such facility.

(2) GRANT AMOUNT.—A grant under this subsection may not exceed $20 per gallon of biodiesel delivered.

(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—As a condition of a grant under this subsection, the grant recipient shall keep such records as the Secretary concerned may require to fully and correctly disclose the use of the grant funds and all transactions involved in the purchase of biomass. Upon notice by a representative of the Secretary concerned, the grant recipient shall afford the representative reasonable access to the facility that purchases or uses biomass and an opportunity to examine the inventory and records of the facility.

(c) IMPROVED BIODIESEL USE GRANT PROGRAM.

(1) IN GENERAL.—The Secretary concerned may make grants to persons to offset the cost of projects to develop or research opportunities to increase the use of, or potential of, biodiesel, in making such grants, the Secretary concerned shall give preference to persons in preferred communities.

(2) SELECTION.—The Secretary concerned shall select a grant recipient under paragraph (1) after giving consideration to—

(A) the anticipated public benefits of the project, including the potential to develop thermal or electric energy resources or affordable energy;

(B) the potential for the creation or expansion of small businesses and micro-businesses; and

(C) the potential for new job creation.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $500,000,000 for each of the fiscal years 2006 through 2016 to carry out this section.

(e) REPORT.—Not later than October 1, 2010, the Secretary of Agriculture, in consultation with the Secretary of the Interior, shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Resources, the Committee on Energy and Commerce, and the Committee on Agriculture of the House of Representatives, a report describing the results of an grant program authorized by this section. The report shall include the following:

(1) An identification of the size, type, and use of biomass by persons that receive grants under this section.

(2) The distance between the land from which the biomass was removed and the facility that used the biomass.

(3) The economic impacts, particularly new job creation, resulting from the grants to and operation of the eligible operations.

SEC. 106. SENSE OF CONGRESS REGARDING GENERATIONCAPACITY OF ELECTRICITY FROM RENEWABLE ENERGY RESOURCES.

It is the sense of the Congress that the Secretary of the Interior should, before the end of

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the 10-year period beginning on the date of enactment of this Act, seek to have approved nonhydroponer renewable energy projects located on the public lands with a generation capacity of 10,000 megawatts of electricity.

Subtitle B—Geothermal Energy

SEC. 221. SHORT TITLE. This subtitle may be cited as the "John Rishel Geothermal Steam Act Amendments of 2005".

SEC. 222. COMPETITIVE LEASE SALE REQUIREMENTS.

Section 4 of the Geothermal Steam Act of 1970 (30 U.S.C. 1003) is amended to read as follows:

SEC. 4. LEASING PROCEDURES.

(a) NOMINATIONS.—The Secretary shall accept nominations for lease sale at any time from qualified companies and individuals under this Act.

(b) COMPETITIVE LEASE SALE REQUIRED.—

(1) IN GENERAL.—Except as otherwise specifically provided by this Act, all land to be leased that is not subject to leasing under subsection (c) shall be leased as provided in this subsection to the highest responsible qualified bidder, as determined by the Secretary.

(2) COMPETITIVE LEASE SALES.—The Secretary shall hold a competitive lease sale at least once every 2 years for land in a State that has nominations pending under subsection (a) if the land is otherwise available for leasing.

(3) LANDS SUBJECT TO MINING CLAIMS.—Lands that are subject to a mining claim for which a plan of operations has been approved by the relevant Federal land management agency may be available for noncompetitive leasing under this section to the mining claim holder.

(c) NONCOMPETITIVE LEASING.—The Secretary shall make available for a period of 2 years for noncompetitive leasing any tract for which a lease sale is held, but for which the Secretary does not receive any bids in a competitive lease sale.

(d) PENDING LEASE APPLICATIONS.—

(1) IN GENERAL.—It shall be a priority for the Secretary, and for the Secretary of Agriculture with respect to National Forest Systems land, to ensure timely completion of administrative actions, including amendments to applicable forest plans and resource management plans, necessary to process applications for geothermal leasing pending on the date of enactment of this subsection. All future forest plans and resource management plans for areas with high geothermal resource potential shall consider geothermal resource development.

(2) ADMINISTRATION.—An application described in paragraph (1) and any lease issued pursuant to the application—

(A) except as provided in subparagraph (B), shall have the same effect as if it were filed on the date of enactment of this paragraph; and

(B) at the election of the applicant, shall be subject to this section as in effect on the effective date of this paragraph.

(e) LEASES SOLD AS A BLOCK.—If information is available to the Secretary indicating a geothermal resource that could be produced as 1 unit can reasonably be expected to underlie more than 1 parcel to be offered in a competitive lease sale, such information for such a resource may be offered for bidding as a block in the competitive lease sale.

SEC. 223. DIRECT USE.

(a) FEES FOR DIRECT USE.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) is amended—

(1) in subsection (c), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by redesignating subsections (a) through (d) as paragraphs (1) through (4), respectively;

(3) by inserting (a) IN GENERAL.—" after "(a)"; and

(4) by adding at the end the following:

(b) DIRECT USE.—

(1) IN GENERAL.—Notwithstanding subsection (a)(1), the Secretary shall establish a schedule of fees, in lieu of royalties for geothermal resources, that a lessee or its Affiliate—

(A) uses for purposes other than the commercial generation of electricity; and

(B) does not sell.

(2) SCHEDULE OF FEES.—The schedule of fees—

(A) may be based on the quantity or thermal content, or both, of geothermal resources used; and

(B) shall ensure a fair return to the United States for use of the resource; and

(C) shall encourage development of the resource.

(3) STATE, TRIBAL, OR LOCAL GOVERNMENT.—If a State, tribal, or local government is the lessee and uses geothermal resources without sale for purposes other than commercial development, the Secretary shall charge only a nominal fee for use of the resource.

(4) FINAL REGULATION.—In issuing any final regulation establishing a schedule of fees under this subsection, the Secretary shall seek—

(A) to provide lessees a simplified administrative system;

(B) to facilitate the development of direct use of geothermal resources; and

(C) to contribute to sustainable economic development approaches.".

(b) LEASING FOR DIRECT USE.—Section 4 of the Geothermal Steam Act of 1970 (30 U.S.C. 1003) (as amended by section 222) is further amended by adding at the end the following:

"(1).COMPETITIVE LEASING.—The Secretary may be available for noncompetitive leasing not later than 90 days before the date of issuance of the lease; and

(2) does not receive during the 90-day period beginning on the date of publication any nomination to include the land concerned in the next competitive lease sale; and

(3) determines there is no competitive interest in the geothermal resources in the land to be leased.

(9) AREA SUBJECT TO LEASE FOR DIRECT USE.—

(1) IN GENERAL.—Subject to paragraph (2), a geothermal lease for the direct use of geothermal resources shall cover not more than the quantity of acreage determined by the Secretary to be reasonably necessary to accommodate the proposed use.

(2) LIMITATIONS.—The quantity of acreage covered by the lease shall not exceed the limitations established under section 7.

(c) APPLICATION OF TERMS.—The schedule of fees established under the amendment made by subsection (a)(4) shall apply with respect to payments under a lease converted under this subsection that are due and owing, and have been paid, on or after July 16, 2003. This subsection shall not reduce the refund of royalties paid to a state under section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1001) prior to the date of enactment of this Act.

SEC. 224. ROYALTIES AND NEAR-TERM PRODUCTION INCENTIVES.

(a) ROYALTIES.—The Geothermal Steam Act of 1970 (30 U.S.C. 1004) is further amended—

(1) in subsection (a) by striking paragraph (1) and inserting—

(1) A royalty on electricity produced using geothermal resources, other than direct use of geothermal resources, that shall be—

(A) not less than 2 and not more than 5 percent of the gross proceeds from the sale of electricity produced from such resources during the first 10 years of production under the lease; and

(B) not less than 2 and not more than 5 percent of the gross proceeds from the sale of electricity produced from such resources during each year after such 10-year period;"; and

(2) by adding at the end the following:

"(3) FORMAL REGULATION ESTABLISHING ROYALTY RATES.—In issuing final regulation establishing royalty rates under this section, the Secretary shall seek—

(A) to provide lessees a simplified administrative system;

(B) to encourage new development; and

(3) to achieve the same level of royalty revenues over a 10-year period in effect on the date of enactment of this subsection.

(4) CREDITS FOR IN-KIND PAYMENTS OF ELECTRICITY.—The Secretary may provide a lessee a credit against royalties owed under this Act, in an amount equal to the value of electricity provided under contract to a State or county government that is entitled to a portion of such royalties under section 20 of this Act, section 35 of the Mineral Leasing Act (30 U.S.C. 191), except as otherwise provided by this section or section 60 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355), if—

(1) the Secretary has approved in advance the contract between the lessee and the State or county government for sale of electricity; and

(2) the contract establishes a specific methodology to determine the value of such credits; and

(3) the maximum credit will be equal to the royalty owed to the State or county that is a party to the contract and the electricity received will serve as the royalty payment from the Federal Government to that entity.

(b) DISPOSAL OF MONEYS FROM SALES, BONUSES, ROYALTIES, AND RENTALS.—Section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 191) is amended to read as follows:

"SEC. 20. DISPOSAL OF MONEYS FROM SALES, BONUSES, ROYALTIES, AND RENTALS.

(a) IN GENERAL.—Except with respect to lands in the State of Alaska, all monies received by the United States from sales, bonuses, rentals, and royalties under this Act shall be paid into the Treasury of the United States. Of amounts deposited under this subsection, subject to the provisions of subsection (b) of section 35 of the Mineral Leasing Act (30 U.S.C. 191(b)) and section 5(a)(2) of the Federal Power Act—

(1) 90 percent shall be paid to the State within the boundaries of which the leased lands or geothermal resources are or were located; and

(2) 10 percent shall be paid to the county within the boundaries of which the leased lands or geothermal resources are or were located.

(b) USE OF PAYMENTS.—Amounts paid to a State or county under subsection (a) shall be used consistent with the terms of section 35 of the Mineral Leasing Act (30 U.S.C. 191).

(c) NEAR-TERM PRODUCTION INCENTIVE FOR EXISTING LEASES.

(1) IN GENERAL.—Notwithstanding section 5(a) of the Geothermal Steam Act of 1970, the royalty required to be paid shall be 50 percent of the value of the royalty owed, on any lease issued before the date of enactment of this Act that does not convert to new royalty terms under subsection (a)(1) or (a)(2).".

"(1) with respect to commercial production of energy from a facility that begins such production in the 6-year period beginning on the date of enactment of this Act; or

(2) on qualified expansion geothermal energy.

(2) 4-YEAR APPLICATION.—Paragraph (1) applies only to new commercial production of energy from a facility in the first 4 years of such production.

(d) DEFINITION OF QUALIFIED EXPANSION GEOTHERMAL ENERGY.—In this section, the term "qualified expansion geothermal energy" means geothermal energy produced from a generation facility for which..."
(1) the production is increased by more than 10 percent as a result of expansion of the facility carried out in the 5-year period beginning on the date of enactment of this Act; and

(2) the production increase is greater than 10 percent of the average production by the facility during the 5-year period preceding the expansion of the facility (as such average is adjusted to reflect any changes in prices or in changes in production during that period).

(e) Royalty Under Existing Leases.—(1) In the case of a lease issued under a lease issued under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) before the date of enactment of this Act, within the time period specified in paragraph (2), the Secretary of the Interior a request to modify the terms of the lease relating to payment of royalties to provide—

(A) in the case of a lease that meets the requirements of subsection (b) of section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223), that royalties be based on a schedule of fees established under that section; and

(B) in the case of any other lease, that royalties be based on the formula that proceeds from the sale of electricity, at a royalty rate that is expected to yield total royalty payments equal to payments that would have been required for nonrenewable production under the royalty rate in effect for the lease before the date of enactment of this subsection.

(2) Timing.—A request for a modification under paragraph (1) shall be submitted to the Secretary of the Interior by the lessee within 180 days after the effective date of the schedule of fees established by the Secretary of the Interior under section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223).

(f) Royalty Under New Leases.—(1) In the case of a lease for direct use, 18 months after the effective date of the schedule of fees established by the Secretary of the Interior under section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223), that royalties be computed on a percentage of the gross proceeds from the sale of electricity, at a royalty rate that is expected to yield total royalty payments equal to payments that would have been required for nonrenewable production under the royalty rate in effect for the lease before the date of enactment of this subsection.

(2) Timing.—A request for a modification under paragraph (1) shall be submitted to the Secretary of the Interior by the lessee within 180 days after the effective date of the final regulation issued under subsection (a).

(g) Modification of Modification.—If the lessee requests modifications to a lease under paragraph (1)—

(1) the Secretary of the Interior shall, within 180 days after the receipt of the request for modification, modify the lease to comply with—

(i) in the case of a lease for direct use, the schedule of fees established under section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004); or

(ii) in the case of any other lease, the royalty rate in effect for the lease before the date of enactment of this subsection.

(2) Consultation.—The Secretary of the Interior shall consult with the State and local governments and, in any case, shall consult with the lessee, in connection with the creation and pooling of units under the unit agreement.

(h) Use of Geothermal Resources.—Any lands under lease to the United States, for purposes of developing and operating under a communication agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the production unit, if the Secretary is determined by the Secretary to be in the public interest and the Secretary shall, by rule, provide for such apportionment in accordance with such agreement.

(i) Royalty on Geothermal Resources.—The Secretary may require that any unit agreement authorized by this section that applies to lands owned by the United States contain a provision under which authority is vested in the Secretary to assess and collect from any person, lessee, lessee's assignees, heirs, or estate, or the Secretary may require or a process for updating the program every 5 years; and

(3) establish a program for reducing the backlog of geothermal lease applications pending under this Act, by requiring within the 5-year period beginning on the date of enactment of this Act, including, as necessary, by issuing leases, rejecting lease applications for failure to meet the requirements of the regulations under which they were filed, or determining that an original applicant (or the applicant's assignees, heirs, or estate) is no longer interested in pursuing the application.

(j) Data Retrieval System.—The memorandum of understanding shall establish a joint data management program tracking lease and permit applications and providing to the applicant information as to their status within the Departments of the Interior and Agriculture, including an estimate of the time required for administrative action.

SEC. 226. ASSESSMENT OF GEOTHERMAL ENERGY POTENTIAL.

Not later than 5 years after the date of enactment of this Act and thereafter as the availability of data and developments in technology warrants, the Secretary of the Interior, acting through the Director of the United States Geological Survey and in cooperation with the States, shall—

(1) update the Assessment of Geothermal Resources made under the Geothermal Steam Act of 1970 (30 U.S.C. 1017) and deliver to Congress the updated assessment.

SEC. 227. COOPERATIVE OR UNIT PLANS.

Section 18 of the Geothermal Steam Act of 1970 (30 U.S.C. 1017) is amended to read as follows:

"SEC. 18. UNIT AND COMMUNICATION AGREEMENTS.

(a) Adoption of Units by Lessees.—(1) IN GENERAL.—For the purpose of more properly conserving the natural resources of any geothermal reservoir, field, or like area, or any part thereof, that the Secretary determines is necessary or advisable for conservation of the natural resources or the public interest, the Secretary may require that any unit agreement established under this section shall not be modified, extended, or modified in any respect except upon the written consent of the lessee, including its lessee's assignees, heirs, or estate, of the lessee's assignees, heirs, or estate, and any other lessee, lessee's assignees, heirs, or estate, and any other lessee, lessee's assignees, heirs, or estate, at the lessee's discretion and with the consent of the Secretary.

(b) Requirements for Modification.—No unit agreement established under this section shall be modified, extended, or modified in any respect except upon the written consent of the lessee, including its lessee's assignees, heirs, or estate, and any other lessee, lessee's assignees, heirs, or estate, at the lessee's discretion and with the consent of the Secretary.

(c) Program.—At least every 5 years after the date of approval of any unit agreement and at least every 5 years thereafter, the Secretary shall—

(1) review each unit agreement; and

(2) after notice and opportunity for comment, eliminate from inclusion in the unit agreement any land that the Secretary determines is not reasonably necessary for unit operations under the unit agreement.

SEC. 228. MODIFICATION OF LEASE REQUIREMENTS.

(a) Modification of Lease Requirements by Secretary.—(1) IN GENERAL.—The Secretary may, in the discretion of the Secretary and with the consent of the holders of leases involved, establish, alter, change, or revoke rules of operations (including drilling, other production, and other requirements) of the leases and make conditions with respect to the leases, with the consent of the lessees, in connection with the creation and operation of geothermal reservoirs. The Secretary may consider necessary or advisable to secure the protection of the public interest.

(b) UNLIKE TERMS OR RATES.—Leases with unlike lease terms and conditions shall not be required to be modified to be in the same unit.

SEC. 229. ROYALTY ON BYPRODUCTS.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223) is further amended in subsection (a) by striking paragraph (2) and inserting—

"(2) a royalty on any byproduct that is a mineral specified in the first section of the Mineral
Leasing Act (30 U.S.C. 181), and that is derived from production under the lease, at the rate of the royalty that applies under that Act to production of the mineral under a lease under that Act.

SEC. 229. AUTHORITY OF SECRETARY TO READJUST TERMS, CONDITIONS, RENTALS, AND ROYALTIES.

Section 8(g) of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) is amended in the second sentence by striking "period", and in no event" and all that follows through the end of the sentence and inserting "period.

SEC. 230. CREDITING OF RENTAL TOWARD ROYALTY.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 181) as amended by sections 223 and 224 is further amended—

(1) in subsection (a)(2) by inserting "and" after the semicolon at the end;

(2) in subsection (a)(3) by striking "", and" and inserting a period;

(3) by striking paragraph (4) of subsection (a); and

(4) by adding at the end the following:

"(e) CREDITING OF RENTAL TOWARD ROYALTY.—Any annual rental under this section that is paid with respect to a lease before the first day of the year for which the annual rental is due shall be credited to the amount of royalty that is required to be paid under the lease for that year.

SEC. 231. LEASE DURATION AND WORK COMMITMENT REQUIREMENTS.


(1) by striking so much as precedes subsection (c), and striking subsections (e), (g), (h), (i), and (j); and

(2) by redesignating subsections (c), (d), and (f) in order as subsections (g), (h), and (i); and

(3) by inserting before subsection (g), as so redesignated, the following:

"SEC. 6. LEASE TERM AND WORK COMMITMENT REQUIREMENTS.

"(a) IN GENERAL.—

"(1) PRIMARY TERM.—A geothermal lease shall be for a primary term of 10 years.

"(2) INITIAL EXTENSION.—The Secretary shall extend the primary term of a geothermal lease for 5 years if, for each year after the tenth year of the lease—

"(A) the Secretary determined under subsection (b) that the lessee satisfied the work commitment requirements that applied to the lease for that year;

"(B) the lessee paid in annual payments in accordance with subsection (c).

"(3) ADDITIONAL EXTENSION.—The Secretary shall extend the primary term of a geothermal lease by an extension under paragraph (2) for an additional 5 years if, for each year of the initial extension under paragraph (2), the Secretary determined under subsection (b) that the lessee satisfied the minimum work requirements that applied to the lease for that year.

"(b) REQUIREMENT TO SATISFY ANNUAL MINIMUM WORK REQUIREMENTS.—

"(1) IN GENERAL.—The lessee for a geothermal lease shall, for each year after the tenth year of the lease, satisfy minimum work requirements prescribed by the Secretary that apply to the lease for that year.

"(2) PRESCRIPTION OF MINIMUM WORK REQUIREMENTS.—The Secretary shall issue regulations prescribing minimum work requirements for geothermal leases, that—

"(A) establish a geothermal potential; and

"(B) if a geothermal potential has been established, confirm the existence of producible geothermal resources.

"(c) PAYMENTS IN LIEU OF MINIMUM WORK REQUIREMENTS.—In lieu of the minimum work requirements prescribed by the Secretary that apply to a geothermal lease, the Secretary shall by regulation establish minimum annual payments which may be made by the lessee for a limited number of years that the Secretary determines will not impair achieving developed geothermal resource which, in no event shall the number of years exceed the duration of the extension period provided in subsection (a).

"(d) TRANSITION RULES FOR LEASES ISSUED PRIOR TO ENACTMENT OF ENERGY POLICY ACT OF 2005.—Any leases issued prior to the enactment of this Act shall by regulation establish transition rules for leases issued before the date of the enactment of this subsection, including terms under which a lease that is near the end of its term on the date of enactment of this subsection may be extended for up to 2 years.

"(1) to allow achievement of production under the lease;

"(2) to allow the lease to be included in a producing unit;

"(e) GEOThermal LEaSe OVERLAPPING MINING Claim.—

"(1) EXEMPTION.—The lessee for a geothermal lease of an area overlapping an area subject to a mining claim for which a plan of operations has been approved by the relevant Federal land management agency is exempt from annual work requirements established under this Act, if development of the geothermal resource subject to the lease would interfere with the mining operations under such claim.

"(2) TERMINATION OF EXEMPTION.—An exemption under this paragraph expires upon the termination of the mining operations.

"(f) TERMINATION OF APPLICATION OF REQUIREMENTS.—Minimum work requirements prescribed under this subsection shall not apply to a geothermal lease after the date on which the geothermal resource is utilized under the lease in commercial quantities.

SEC. 232. ADVANCED ROYALTIES REQUIRED FOR CESSATION OF PRODUCTION.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 181) as amended by sections 223, 224, and 230 is further amended by adding at the end the following:

"(f) ADVANCED ROYALTIES REQUIRED FOR CESSATION OF PRODUCTION.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), if, at any time after commercial production under a lease is achieved, production ceases for any reason, the lease shall remain in full force and effect for a period of not more than an aggregate number of 10 years beginning on the date production ceases, if, during the period in which production is not achieved, the lessee pays royalties in advance at the monthly average rate at which the royalty was paid during the period of production.

"(2) TERMINATION.—The amount of any production royalty paid for any year shall be reduced (but not below 0) by the amount of any advanced royalties paid under the lease to the extent that the advance royalties have not been used to reduce production royalties for a prior year.

"(3) EXCEPTIONS.—Paragraph (1) shall not apply if the cessation in production is required or otherwise caused by—

"(A) the Secretary;

"(B) the Secretary of the Air Force;

"(C) the Secretary of the Army;

"(D) the Secretary of the Navy;

"(E) a State or a political subdivision of a State;

"(F) a force majeure.

SEC. 233. ANNUAL RENTAL.

(a) ANNUAL RENTAL RATE.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 181) as amended by section 223(a) is further amended in subsection (a) by striking paragraph (3) and inserting the following:

"(3) payment in advance of an annual rental of not less than—

"(A) for each of the first through tenth years of the lease—

"(B) in the case of a lease awarded in a non-competitive lease sale, $1 per acre or fraction thereof; or

"(ii) in the case of a lease awarded in a competitive lease sale, $2 per acre or fraction thereof for the first year and $3 per acre or fraction thereof for each of the second through tenth years; and

"(B) for each year after the tenth year of the lease, $3 per acre or fraction thereof.

(b) TERMINATION OF LEASE FOR FAILURE TO PAY RENTAL.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) as amended by sections 223, 224, 230, and 232 is further amended by adding at the end the following:

"(2) TERMINATION FOR FAILURE TO PAY RENTAL.—

"(1) IN GENERAL.—The Secretary shall terminate any lease with respect to which the rent is not paid in accordance with this Act and the terms of the lease under which the rent is required, on the expiration of the 45-day period beginning on the date of the failure to pay the rental.

"(2) NOTIFICATION.—The Secretary shall promptly notify a lessee that has not paid rental required under the lease that the lease will be terminated at the end of the period referred to in paragraph (1).

"(3) RESTATEMENT.—A lease that would otherwise terminate under paragraph (1) shall not terminate under that paragraph if the lessee pays to the Secretary, before the end of the period referred to in paragraph (1), the amount of rental due plus a late fee equal to 10 percent of the amount.

SEC. 234. DEPOSIT AND USE OF GEOTHERMAL LEASE REVENUES FOR 5 FISCAL YEARS.

(a) DEPOSIT OF GEOTHERMAL RESOURCES LEASES.—No other provision of law, amounts received by the United States in the first 5 fiscal years beginning after the date of enactment of this Act as rentals, royalties, and other payments required under leases under the Geothermal Steam Act of 1970, excluding funds required to be paid to State and county governments, shall be deposited into a separate account in the Treasury.

(b) USE OF DEPOSITS.—Amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 and this Act.

(c) TRANSFER OF FUNDS.—For the purposes of coordination and processing of geothermal leases, the Secretary of the Interior, on Federal land the Secretary of the Interior may authorize the expenditure or transfer of such funds as are necessary to the Forest Service.

SEC. 235. ACREAGE LIMITATIONS.

Section 7 of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) is amended—

(1) by striking paragraph (1), and by inserting immediately before and above the first paragraph the following:

"SEC. 7. ACREAGE LIMITATIONS.;

"(2) in the first paragraph—

"(A) by striking "five thousand five hundred and sixty acres" and inserting "5,120 acres"; and

"(B) by striking "twenty thousand four hundred and eighty acres" and inserting "5,120 acres"; and

(3) by striking the second paragraph.

SEC. 236. TECHNICAL AMENDMENTS.

The Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) is further amended as follows:

(1) By striking "geothermal steam and associated geothermal resources" each place it appears and inserting "geothermal resources".

(2) Section 2 (30 U.S.C. 1001) is amended by adding at the end the following:

"(a) "direct use" means utilization of geothermal resources for commercial, residential, agricultural, public facilities, or other energy needs other than the commercial production of electricity; and

(3) Section 21 (30 U.S.C. 1020) is amended by striking "(a) Within one hundred" and all that
follows through “(b) Geothermal” and inserting “Geothermal”.
(4) The first section (30 U.S.C. 1001 note) is amended by striking “That this” and inserting the following:

SEC. 1. SHORT TITLE. “This”.
(5) Section 2 (30 U.S.C. 1001) is amended by striking “SEC. 2. As” and inserting the following:

SEC. 2. DEFINITIONS. “As”.
(6) Section 3 (30 U.S.C. 2002) is amended by striking “SEC. 3. Subject” and inserting the following:

SEC. 3. LANDS SUBJECT TO GEO THERMAL LEASING. “Subject”.
(7) Section 5 (30 U.S.C. 1004) is further amended by striking “SEC. 5. As” and inserting the following:

SEC. 5. RENTS AND ROYALTIES.”.
(8) Section 8 (30 U.S.C. 1007) is amended by striking “SEC. 8. The” and inserting the following:

SEC. 8. READJUSTMENT OF LEASE TERMS AND CONDITIONS. “The”.
(9) Section 9 (30 U.S.C. 1008) is amended by striking “sec. 9. If” and inserting the following:

SEC. 9. BYPRODUCTS. “The”.
(10) Section 10 (30 U.S.C. 1009) is amended by striking “SEC. 10. The” and inserting the following:

SEC. 10. RELINQUISHMENT OF GEO THERMAL RIGHTS. “The”.
(11) Section 11 (30 U.S.C. 1010) is amended by striking “SEC. 11. The” and inserting the following:

SEC. 11. SUSPENSION OF OPERATIONS AND PRODUCTION. “The”.
(12) Section 12 (30 U.S.C. 1011) is amended by striking “SEC. 12. Leases” and inserting the following:

SEC. 12. TERMINATION OF LEASES. “Leases”.
(13) Section 13 (30 U.S.C. 1012) is amended by striking “SEC. 13. The” and inserting the following:

SEC. 13. WAIVER, SUSPENSION, OR REDUCTION OF RENT OR ROYALTY. “The”.
(14) Section 14 (30 U.S.C. 1013) is amended by striking “SEC. 14. Subject” and inserting the following:

SEC. 14. SURFACE LAND USE. “Subject”.
(15) Section 15 (30 U.S.C. 1014) is amended by striking “SEC. 15. (a) Geothermal” and inserting the following:

SEC. 15. LANDS SUBJECT TO GEO THERMAL LEASING. “(a) Geothermal”.
(16) Section 16 (30 U.S.C. 1015) is amended by striking “SEC. 16. Leases” and inserting the following:

SEC. 16. REQUIREMENT FOR LESSEES. “Leases”.
(17) Section 17 (30 U.S.C. 1016) is amended by striking “SEC. 17. Administration” and inserting the following:

SEC. 17. ADMINISTRATION. “Administration”.
(18) Section 19 (30 U.S.C. 1018) is amended by striking “SEC. 19. Upon” and inserting the following:

SEC. 19. DATA FROM FEDERAL AGENCIES. “Upon”.
(19) Section 21 (30 U.S.C. 1020) is further amended by striking “SEC. 21. As” and inserting immediately before and above the remainder of that section the following:

SEC. 21. PUBLICATION IN FEDERAL REGISTER; RESERVATION OF MINERAL RIGHTS.”.
(20) Section 22 (30 U.S.C. 1021) is amended by striking “SEC. 22. Nothing” and inserting the following:

SEC. 22. FEDERAL EXEMPTION FROM STATE WATER LAWS. “Nothing”.
(21) Section 23 (30 U.S.C. 1022) is amended by striking “SEC. 23. (a) All” and inserting the following:

SEC. 23. PREVENTION OF WASTE, EXCLUSIVITY. “(a) All”.
(22) Section 24 (30 U.S.C. 1023) is amended by striking “SEC. 24. The” and inserting the following:

SEC. 24. RULES AND REGULATIONS. “The”.
(23) Section 25 (30 U.S.C. 1024) is amended by striking “SEC. 25. As” and inserting the following:

SEC. 25. INCLUSION OF GEO THERMAL LEASING UNDER CERTAIN OTHER LAWS. “As”.
(24) Section 26 is amended by striking “SEC. 26. The” and inserting the following:

SEC. 26. AMENDMENT. “The”.
(25) Section 27 (30 U.S.C. 1025) is amended by striking “SEC. 27. The” and inserting the following:

SEC. 27. FEDERAL RESERVATION OF CERTAIN MINERAL RIGHTS. “The”.
(26) Section 28 (30 U.S.C. 1026) is amended by striking “SEC. 28. (a)(1) The” and inserting the following:

SEC. 28. SIGNIFICANT THERMAL FEATURES. “(a)(1) The”.
(27) Section 29 (30 U.S.C. 1027) is amended by striking “SEC. 29. The” and inserting the following:

SEC. 29. LAND SUBJECT TO PROHIBITION ON LEASING. “The”.
(28) Section 29. INTERMOUNTAIN WEST GEO THERMAL CONSORTIUM.

(a) PARTICIPATION AUTHORIZED.—The Secretary, acting through the Idaho National Laboratory, may participate in a consortium described in subsection (b) to address science and engineering issues surrounding the expanded discovery and use of geothermal energy, including from geothermal resources on public lands.
(b) MEMBERS.—The consortium referred to in subsection (a) shall—
(1) be known as the “Intermountain West Geothermal Consortium”;
(2) be a consortium of institutions and government agencies that focuses on building collaborative efforts across the universities in the State of Idaho, other regional universities, State agencies, and the Idaho National Laboratory;
(3) include Boise State University, the University of Idaho (including the Idaho Water Resources Research Institute), the Oregon Institute of Technology, the Desert Research Institute and the University and Community College System of Nevada, and Energy and Geoscience Institute at the University of Utah;
(4) be hosted and managed by Boise State University; and
(5) have a director appointed by Boise State University, and associate directors appointed by each participating institution.
(c) FINANCIAL ASSISTANCE.—The Secretary, acting through the Idaho National Laboratory and subject to the availability of appropriations, will provide financial assistance to Boise State University for expenditure under contracts with members of the consortium to carry out the activities of the consortium.

Subtitle C.—Hydroelectric Power
SEC. 241. ALTERNATIVE CONDITIONS AND AMENDMENTS.
(a) FEDERAL RESERVATIONS.—Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended by inserting after “adequate protection and utilization of such reservation.” at the end of the first proviso the following: “The license applicant and any party to the proceeding shall be entitled to a de novo determination on the record, after opportunity for an agency trial-type hearing of no more than 90 days, on any disputed issues of material fact with respect to such conditions. All disputed issues of material fact raised by any party shall be determined in a single trial-type hearing to be conducted by the relevant resource agency in accordance with the regulations promulgated under this subsection and within the time frame established by the Commission for each license proceeding. Within 90 days of the date of enactment of the Energy Policy Act of 2005, the Secretaries of the Interior, Commerce, and Agriculture shall establish jointly, by rule, the procedures for such expedited trial-type hearing, including the opportunity to undertake discovery and cross-examine witnesses, in consultation with the Federal Energy Regulatory Commission.”.
(b) FISHWAYS.—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended by inserting after “and such fishways as may be prescribed by the Secretary of Commerce.” the following: “The license applicant and any party to the proceeding shall be entitled to a de novo determination on the record, after opportunity for an agency trial-type hearing of no more than 90 days, on any disputed issues of material fact with respect to such fishways. All disputed issues of material fact raised by any party shall be determined in a single trial-type hearing to be conducted by the relevant resource agency in accordance with the regulations promulgated under this subsection and within the time frame established by the Commission for each license proceeding. Within 90 days of the date of enactment of the Energy Policy Act of 2005, the Secretaries of the Interior, Commerce, and Agriculture shall establish jointly, by rule, the procedures for such expedited trial-type hearing, including the opportunity to undertake discovery and cross-examine witnesses, in consultation with the Federal Energy Regulatory Commission.”.
(c) ALTERNATIVE CONDITIONS AND PRESCRIPTIONS.—Part I of the Federal Power Act (16 U.S.C. 794 et seq.) is amended by adding the following new section at the end thereof:

SEC. 33. ALTERNATIVE CONDITIONS AND PRESCRIPTIONS.
(a) ALTERNATIVE CONDITIONS.—Whenever any person applies for a license for any project works within any reservation of the United States, and the Secretary of the department under whose supervision such reservation falls (referred to in this subsection as the “Secretary”) deems a condition to such license to be necessary under the first proviso of section 4(e), the license applicant or any other party to the license proceeding may propose an alternative condition.
(b) NOTWITHSTANDING the first proviso of section 4(e), the Secretary shall accept the proposed alternative condition referred to in paragraph (a), and the Commission shall include in the license such alternative condition, if the Secretary determines that substantial evidence provided by the license applicant, any other party to the proceeding, or otherwise available to the Secretary, that such alternative condition—
(A) provides for the adequate protection and utilization of the reservation; and
(B) will either, as compared to the condition initially proposed by the Secretary—
(1) cost significantly less to implement; or
(ii) result in improved operation of the project works for electric production.
(2) In making a determination under paragraph (2), the Secretary shall consider evidence provided for the record by any party to a license proceeding, or otherwise available to the Secretary, including any evidence provided by the Commission, on the implementation costs or

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operational impacts for electricity production of a proposed alternative.

(4) The Secretary concerned shall submit into the public record of the Commission proceeding on the issuance of such permit, a written statement explaining the basis for such condition, and reason for not accepting any condition under this section. The written statement must demonstrate that the Secretary gave equal consideration to the effects of the condition adopted and alternatives not accepted by the Secretary under this section. Based on such information, as may be available to the Secretary, including any evidence voluntarily provided in a timely manner by the applicant and others, the Secretary shall submit to the Commission's final written determination into the record of the Commission's proceeding.

SEC. 242. HYDROELECTRIC PRODUCTION INCENTIVES.

(a) INCENTIVE PAYMENTS.—For electric energy generated and sold by a qualified hydroelectric facility during the incentive period, the Secretary shall make, subject to the availability of appropriations, incentive payments to the owner or operator of the facility in an amount equal to the difference between the amount of any payment made to any such owner or operator shall be as determined under subsection (c) of this section. Payments under this section may only be made if the Secretary has submitted to the President of an incentive application which establishes that the applicant is entitled to receive such payment and which satisfies such other requirements as the Secretary deems necessary. Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.

(b) DEFINITIONS.—For purposes of this section:

(1) QUALIFIED HYDROELECTRIC FACILITY.—The term "qualified hydroelectric facility" means a dam, including any generating device owned or solely operated by a public body, which generates hydroelectric energy for sale and which is located to an existing dam or conduit.

(2) CONDUIT.—The term "conduit" has the same meaning as when used in section 30(a)(2) of the Federal Power Act (16 U.S.C. 823a(2)).

(c) INCENTIVE PAYMENTS.—Payments may be made under this section for a qualified hydroelectric facility generated from a qualified hydroelectric facility which begins operation during the period of 10 fiscal years beginning with the first full fiscal year occurring after the date of the enactment of this section.

(d) ELIGIBILITY WINDOW.—Payments may be made under this section for electric energy generated from a qualified hydroelectric facility which begins operation during the period of 10 fiscal years beginning with the first full fiscal year occurring after the date of the enactment of this section.

(e) EXTENSION OF TIME.—The term "incentive period" begins operation on or after the date of the enactment of this section.

(f) AMOUNT OF PAYMENT.—The amount of payment shall be based on the number of kilowatt hours of electric energy generated by the facility during the incentive period. For any such facility, the amount of such payment shall be 1.8 cents per kilowatt hour (adjusted as provided in paragraph (2), subject to the availability of appropriations, and as provided under subsection (g), except that no facility may receive more than $750,000 in 1 calendar year.

(g) ALTERNATIVE PRESCRIPTIONS.—In the event that the Secretary finds that the Secretary's final condition would be inconsistent with the purposes of this Act, or with applicable law, the Secretary may refer the dispute to the Secretary of the Interior or the Secretary of Commerce, as appropriate, to determine if the recommendation will not adequately protect the reservation. The Secretary shall submit the advisory and the Secretary's final written determination into the record of the Commission's proceeding.

SEC. 243. HYDROELECTRIC EFFICIENCY IMPROVEMENT PROJECTS.

(a) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments to the owners or operators of any hydroelectric facilities at existing dams to be used to make capital improvements in the facilities that are directly related to improving the efficiency of such facilities by at least 3 percent.

(b) LIMITATIONS.—Incentive payments under this section shall not exceed 10 percent of the costs of the capital improvement concerning and not more than 1 payment may be made with respect to improvements at a single facility.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section not more than $10,000,000 for each of the fiscal years 2006 through 2015.

SEC. 244. ALASKA STATE JURISDICTION OVER SMALL HYDROELECTRIC PROJECTS.

Section 32 of the Federal Power Act (16 U.S.C. 823c) is amended—

(1) in subsection (a)(3)(C), by inserting "except as provided in subsection (j)," before "conditions," and

(2) by adding at the end the following:

"(j) FISH AND WILDLIFE.—If the Secretary of the Interior determines that a recommendation under subsection (a)(3)(C) has been made under paragraph (1) and (2) of subsection (a), the State of Alaska may decline all or part of the recommendations in accordance with the procedures established under section 10(12), and the Secretary shall issue a non-binding advisory within 90 days.

SEC. 245. FLINT CREEK HYDROELECTRIC PROJECT.

(a) EXTENSION OF TIME.—Notwithstanding the time limits specified in the Federal Power Act (16 U.S.C. 798) that would otherwise apply to the Federal Energy Regulatory Commission (referred to in this section as the "Commission") project number 1207, the Commission shall—

(1) if the preliminary permit is in effect on the date of the enactment of this Act, extend the preliminary permit for a period of 3 years beginning on the date on which the preliminary permit expires; or

(2) if the preliminary permit expires before the date of the enactment of this Act, extend the preliminary permit for an additional 3-year period beginning on the date of the enactment of this Act.

(b) FEES.—Notwithstanding section 10(e)(1) of the Federal Power Act (16 U.S.C. 803(e)(1)) or any other provision...
of Federal law providing for the payment to the United States of charges for the use of Federal land for the purposes of operating and maintaining a hydroelectric development licensed by the Commission, or political subdivision of the State of Montana that holds a Commission license for the Commission project numbered 1207 in Granite and Deer Lodge Counties, Montana, shall be paid to the United States for the use of that land for each year during which the political subdivision continues to hold the license for the project, the lesser of—
(1) $1,000, or
(2) such annual charge as the Commission or any other department or agency of the Federal Government may assess.

SEC. 245. SMALL HYDROELECTRIC POWER PROJECTS.

(1) by inserting "an insular area covered by section 222 of the Act," after "the United States," before the first semicolon;
(2) by striking the period at the end of paragraph (5) and inserting a semicolon;
(3) by amending subsection (e) to read as follows:

"(e) The Federal Government may provide Federal financing for the project, the lesser of—
(A) the estimated cost of the project or energy to be produced, including—
(i) the cost of land for the purposes of operating and maintaining the project; and
(ii) the cost of any additional costs associated with the operation and maintenance of the project;
(B) the capacity of the local electrical utility to manage, operate, and maintain any project that may be undertaken; and
(C) the cost of providing Federal financing for the project, or an amount determined by the Secretary to be equivalent in value to the Federal financing provided for the project; or

(4) by amending subsection (g)(4) to read as follows:

"(4) the amount of Federal funds made available for any project under paragraphs (2) and (3), the Secretary of Energy shall—
(A) conduct feasibility studies of projects to implement a strategy described in paragraph (2); and
(B) provide for the preparation of an environmental impact statement for each such project.

The Federal share of the cost for a project for which a grant is provided under this paragraph shall not exceed 75 percent of the total cost of that project. The non-Federal share of the cost may be provided in the form of cash or services.

SEC. 252. PROJECTS ENHANCING INSULAR ENERGY INDEPENDENCE.

(a) PROJECT FEASIBILITY STUDY.—

(1) IN GENERAL.—On a request described in paragraph (2), the Secretary shall conduct a feasibility study of a project to implement a strategy described in paragraph (2) or a strategic program to address the problem it is to be carried out for development or disaster mitigation for that insular area.

(b) ELIGIBLE PROJECTS.—The Secretary of Energy shall give priority to grants for projects which are likely to—

(I) have the greatest impact on reducing future disaster losses; and
(II) be consistent with the policies and programs of the Federal Government in insular areas.

(c) MATCHING REQUIREMENT.—The Federal share of the cost for a project for which a grant is provided under this paragraph shall not exceed 75 percent of the total cost of that project. The non-Federal share of the cost may be provided in the form of cash or services.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph $6,000,000 for each fiscal year beginning after the date of enactment of this Act.
(2) Regional utility organizations.—In providing assistance under paragraph (1), the Secretary shall consider providing the assistance through regional utility organizations.

(c) Authorization of Appropriations.—

(1) In general.—There are authorized to be appropriated to the Secretary—

(A) $500,000 for each fiscal year for project feasibility studies under subsection (a) and

(B) $4,900,000 for each fiscal year for project implementation under subsection (b).

(2) Limitation of Funds Received by Insular Areas.—No insular area may receive, during any 3-year period, more than 20 percent of the total funds made available during that 3-year period under subparagraphs (A) and (B) of paragraph (1) unless the Secretary determines that providing funding in excess of that percentage best advances existing opportunities to meet the objectives of this section.

TITLE III—OIL AND GAS

Subtitle A—Petroleum Reserve and Home Heating Oil

SEC. 301. PERMANENT AUTHORITY TO OPERATE THE STRATEGIC PETROLEUM RESERVE AND OTHER ENERGY PROGRAMS.

(a) Amendment to Title I of the Energy Policy and Conservation Act.—Title I of the Energy Policy and Conservation Act (42 U.S.C. 6212 et seq.) is amended—

(1) by striking section 166 (42 U.S.C. 6246) and inserting the following:

‘‘AUTHORIZATION OF APPROPRIATIONS—

‘‘Sec. 166. There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this part and part D, to remain available until expended.’’;

(2) by striking section 186 (42 U.S.C. 6250e); and

(3) by striking part E (42 U.S.C. 6251).

(b) Amendment to Title II of the Energy Policy and Conservation Act.—Title II of the Energy Policy and Conservation Act (42 U.S.C. 6212 et seq.) is amended—

(1) by inserting before section 273 (42 U.S.C. 6240) the following:

‘‘PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS—

‘‘(a) by striking section 273(c) (42 U.S.C. 6240(c)); and

(b) by striking part D (42 U.S.C. 6285).

(c) Technical Amendments.—The table of contents of the Energy Policy and Conservation Act is amended—

(1) by inserting after the items relating to part C of title I the following:

‘‘PART D—NORTHEAST HOME HEATING OIL REserve—

‘‘Sec. 181. Establishment.

‘‘Sec. 182. Authority.

‘‘Sec. 183. Conditions for release; plan.

‘‘Sec. 184. Northeast Home Heating Oil Reserve Account.

‘‘Sec. 185. Exemptions.’’;

(2) by amending the items relating to part C of title II to read as follows:

‘‘PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS—

‘‘Sec. 273. Summer fill and fuel budgeting programs.’’;

and

(3) by striking the items relating to part D of title II.

(d) Amendment to the Energy Policy and Conservation Act.—Section 183(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6250b(b)(1)) is amended by striking ‘‘by more and all that is through ‘mid-October through March’’ and inserting ‘‘by more than 60 percent over its 5-year rolling average for the months of mid-October through March (considered as a heat period)’’.

(e) OilStrategic Petroleum Reserve to Capacity.—

(1) In general.—The Secretary shall, as expeditiously as practicable, without incurring excessive cost or appreciably affecting the price of petroleum products to consumers, acquire petroleum products for the Strategic Petroleum Reserve to the 100,000,000-barrel capacity authorized under section 154(a) of the Energy Policy and Conservation Act (42 U.S.C. 6240(e)) and sections 159 and 160 of that Act (42 U.S.C. 6239, 6240).

(2) Procedures.—

(A) Amendment to Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended by inserting after subsection (b) the following new subsection:

‘‘(c) Procedures.—The Secretary shall develop, with public notice and opportunity for comment, procedures consistent with the objectives of this section to acquire petroleum for the Reserve. Such procedures shall take into account the need to—

(1) maximize overall domestic supply of crude oil (including quantities stored in private sector inventories);

(2) avoid incurring excessive cost or appreciably affecting the price of petroleum products to consumers;

(3) minimize the costs to the Department of the Interior and the Department of Energy in acquiring such petroleum products (including foregone revenues from the sale of petroleum products for the Reserve are obtained through the royalty-in-kind program);

(4) protect national security;

(5) avoid adversely affecting current and future prices, supplies, and inventories of oil; and

(6) address other factors that the Secretary determines to be appropriate.’’;

(B) Review of Requests for Deferrals of Scheduled Deliveries.—The procedures developed under subsection (c) shall include procedures and criteria for the review of requests for the deferrals of scheduled deliveries.

(C) Design of the Secretary shall—

(1) propose the procedures required under the amendment made by subparagraph (A) not later than 120 days after the date of enactment of this Act;

(2) promulgate the procedures not later than 180 days after the date of enactment of this Act; and

(3) comply with the procedures in acquiring petroleum for the Reserve effective beginning on the date that is 180 days after the date of enactment of this Act.

SEC. 302. NATIONAL OILHEAT RESEARCH ALLIANCE.

Section 713 of the Energy Act of 2000 (Public Law 106-499; 42 U.S.C. 6260 note) is amended by striking ‘‘4’’ and inserting ‘‘9’’.

SEC. 303. SITE SELECTION.

Not later than 1 year after the date of enactment of this Act, the Secretary shall complete a proceeding to select, from sites that the Secretary has previously studied, sites necessary to enable acquisition by the Secretary of the full authorized volume of the Strategic Petroleum Reserve. In such proceeding, the Secretary shall first consider and give preference to the five sites that the Secretary previously assessed in the Draft Environmental Impact Statement, DOE/EIS-0165-D. However, the Secretary in his discretion may select other sites as proposed by a State where a site has been previously studied by the Secretary to meet the full authorized volume of the Strategic Petroleum Reserve.

Subtitle B—Natural Gas

SEC. 311. EXPORTATION OR IMPORTATION OF NATURAL GAS.

(a) Scope—

‘‘The Natural Gas Act.—Section 1(b) of the Natural Gas Act (15 U.S.C. 717a) is amended by inserting ‘‘and to the importation or exportation of natural gas in foreign commerce of the United States shall be engaged in such importation or exportation,’’ after ‘‘such transportation or sale,’’.

(b) Definition.—Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by adding at the end the following new paragraph:

‘‘(11) LNG terminal includes all natural gas facilities located on the United States that are used to receive, unload, load, store, transport, gasify, liquefy, or process natural gas that is imported to the United States from a foreign country and transported by a pipeline or LNG terminal from the United States, or transported in interstate commerce by waterborne vessel, but does not include—

(A) waterborne vessels used to deliver natural gas to or from any such facility; or

(B) any pipeline or storage facility subject to the jurisdiction of the Commission under section 7,’’.

(c) Authorization for Siting, Construction, Expansion, or Operation of LNG Terminals.—

The Secretary for sections of the Natural Gas Act (15 U.S.C. 717b) is amended by inserting ‘‘LNG TERMINALS’’ after ‘‘EXPORTATION OR IMPORTATION OF NATURAL GAS.’’

(2) Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended by adding at the end the following:

‘‘(d) Except as specifically provided in this Act, nothing in this Act affects the rights of States under—

(1) the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(2) the Clean Air Act (42 U.S.C. 7401 et seq.); or

(3) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

‘‘(e)(1) The Commission shall have the exclusive authority to approve or deny an application for the siting, construction, expansion, or operation of an LNG terminal. Except as specifically provided in this Act, nothing in this Act is intended to affect otherwise applicable law related to any Federal agency’s authorities or responsibilities related to LNG terminals.

‘‘(2) Upon the filing of any application to site, construct, expand, or operate an LNG terminal, the Commission shall—

(A) set the matter for hearing;

(B) give reasonable notice of the hearing to all interested persons, including the State commission of the State in which the LNG terminal is located and, if not the same, the Governor-appointed State agency described in section 3A;

(C) decide the matter in accordance with this subsection; and

(D) issue or deny the appropriate order accordingly.

‘‘(f)(A) Except as provided in subparagraph (B), the Commission may approve an application described in paragraph (2) in whole or in part, with such modifications and upon such terms and conditions as the Commission find necessary or appropriate.

‘‘(B) Before January 1, 2015, the Commission shall not—

(1) deny an application solely on the basis that the applicant proposes to use the LNG terminal exclusively or partially for gas that the applicant or an affiliate of the applicant will supply to the facility; or

(2) condition an order on—

(I) a requirement that the LNG terminal offer service to customers other than the applicant, or any affiliate of the applicant, securing the order;

(II) any regulation of the rates, charges, terms, or conditions of service of the LNG terminal;

(III) a requirement to file with the Commission schedules or contracts related to the rates, charges, terms, or conditions of service of the LNG terminal; and

(IV) a requirement to file with the Commission schedules or contracts related to the rates, charges, terms, or conditions of service of the LNG terminal.

‘‘(2) Paragraph (1) shall cease to have effect on January 1, 2015.’’

‘‘(4) An order issued for an LNG terminal that also offers service to customers on an open access basis shall not result in the subsidization of expansion capacity by existing customers, degradation of service to existing customers, or
undue discrimination against existing customers as to their terms or conditions of service at the facility, as all of those terms are defined by the Commission.

“(f) In this subsection, the term ‘military installation’

“(A) means a base, camp, post, range, station, yard, center, or homeport facility for any ship or other vessel, and the jurisdictional area of the Department of Defense, including any leased facility, that is located within a State, the District of Columbia, or any territory of the United States;

“(B) does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects, as determined by the Secretary of the Army; and

“(2) The Commission shall enter into a memorandum of understanding with the Secretary of Defense for the purpose of ensuring that the Commission coordinate and consult with the Secretary of Defense on the sitting, construction, expansion, or operation of liquefied natural gas facilities that may affect an active military installation.

“(3) The Commission shall obtain the concurrence of the Secretary of Defense before authorizing the sitting, construction, expansion, or operation of liquefied natural gas facilities that may affect an active military installation.”

“(d) LNG TERMINAL STATE AND LOCAL SAFETY CONSIDERATIONS—

“SEC. 312. NEW NATURAL GAS STORAGE FACILITIES.

“Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding at the end the following:

“(f)(1) In any order authorizing an LNG terminal the Commission shall require the LNG terminal operator to develop an Emergency Response Plan. The Emergency Response Plan shall be prepared in consultation with the United States Coast Guard and State and local agencies and be approved by the Commission prior to any final approval to begin construction. The Plan shall include a cost-sharing plan.

“(2) A cost-sharing plan developed under paragraph (1) shall include a description of any direct cost reimbursements that the applicant agrees to provide to any State and local agencies with responsibility for security and safety—

“(A) at the LNG terminal; and

“(B) in proportion to vessels that serve the facility.

“(g) The State commission of the State in which an LNG terminal is proposed to be located shall designate the appropriate State agency for the purposes of consulting with the Commission regarding proceedings under section 3 of that Act, and the Commission shall consult with such State agency regarding State and local safety considerations prior to issuing an order pursuant to section 3 of that Act.

“SEC. 313. PROCESS COORDINATION; HEARINGS; RULES OF PROCEDURE.

“(a) In General.—Section 15 of the Natural Gas Act (15 U.S.C. 717n) is amended—

“(1) by striking the section heading and inserting ‘‘PROCESS COORDINATION; HEARINGS; RULES OF PROCEDURE’’;

“(2) by redesignating subsections (a) and (b) as subsections (e) and (f), respectively; and

“(3) by striking ‘‘SEC. 11.’’ and inserting the following:

“(Sec. 15(a) In this section, the term ‘Federal authority’ means—

“(1) any authority required under Federal law with respect to an application for authorization under section 3 or a certificate of public convenience and necessity under section 7; and

“(2) includes any permits, special use authorizations, certifications, opinions, or other approvals required under Federal law with respect to an application for authorization under section 3 or a certificate of public convenience and necessity under section 7.

“(b) DELEGATION.—

“(1) IN GENERAL.—The Commission shall act as the lead agency for the purposes of coordinating all applicable Federal authorizations and for the purposes of complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(2) STATE AND LOCAL AGENCIES.—Each Federal and State agency considering an aspect of an application for Federal authorization shall cooperate with the Commission and comply with the deadlines established by the Commission.

“(c) SCHEDULE.—

“(1) COMMISSION AUTHORITY TO SET SCHEDULE.—The Commission shall establish a schedule for all Federal authorizations. In establishing the schedule, the Commission shall—

“(A) ensure expeditious completion of all such proceedings; and

“(B) operate with applicable schedules established by Federal law.

“(2) FAILURE TO MEET SCHEDULE.—If a Federal or State administrative agency does not complete a proceeding for an application that is required for a Federal authorization in accordance with the schedule established by the Commission, the applicant may pursue remedies under section 19(d).

“(3) CONSOLIDATED RECORD.—The Commission shall, with the cooperation of Federal and State administrative agencies and officials, maintain a complete consolidated record of all decisions made or actions taken by the Commission or by a Federal administrative agency or officer (or State administrative agency or officer) in connection with an LNG terminal project, with respect to any Federal authorization. Such record shall be the record for—

“(A) appeals or reviews under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), provided that the record may be supplemented as expressly provided pursuant to section 319 of that Act; or

“(B) applications or reviews under section 19(d) of decisions made or actions taken of Federal and State administrative agencies and officials, provided that, if the Court determines that the participant is unable to demonstrate that the company lacks market power, if the Commission determines that—

“(1) market-based rates are in the public interest and necessary to encourage the construction of the storage capacity in the area needing storage services; and

“(2) customers are adequately protected.

“(2) The Commission shall ensure that reasonable terms and conditions are in place to protect consumers.

“(3) If the Commission authorizes a natural gas company to charge market-based rates under this subsection, the Commission shall review periodically the market-based rate, which is just, reasonable, and not unduly discriminatory or preferential.”

“(d) RULES OF PROCEDURE.—

“(1) IN GENERAL.—The United States Court of Appeals for the circuit in which a facility subject to section 3 or section 7 is proposed to be constructed, expanded, or operated shall have exclusive jurisdiction over any civil action for the review of an order or action of a Federal agency (other than the Commission) or State administrative agency acting pursuant to Federal law to issue, amend, modify, or refuse any permit, license, concurrence, or approval (hereinafter collectively referred to as ‘permit’) required under Federal law, other than the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

“(2) AGENCY DELAY.—The United States Court of Appeals for the District of Columbia shall have exclusive jurisdiction over any civil action for a review of the relief of alleged failure to act by a Federal agency (other than the Commission) or State administrative agency acting pursuant to Federal law to issue, amend, modify, or refuse any permit required under Federal law, other than the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), for a facility subject to section 3 or section 7. The failure of an agency to take action on a permit required under Federal law, other than the Coastal Zone Management Act of 1972, in accordance with the Commission’s schedule established pursuant to section 15(c) shall be considered inconsistent with Federal law for the purposes of paragraph (3).

“(3) COURT ACTION.—If the Court finds that such order or action is inconsistent with the Federal law governing such permit and would

"
preventing the development, expansion, or operation of the facility subject to section 3 or section 7, the Court shall remand the proceeding to the agency to take appropriate action consistent with this order of the Court. If the Court remands the order or action to the Federal or State agency, the Court shall set a reasonable schedule and deadline for the agency to act on remand.

"(4) COMMISSION ACTION.—For any action described in this subsection, the Commission shall file with the Court the consolidated record of such order or action to which the appeal hereunder relates.

"(5) EXPEDITED REVIEW.—The Court shall set any action brought under this subsection for expedited review amended—

SEC. 314. PENALTIES.

(a) CRIMINAL PENALTIES.—

(1) NATURAL GAS ACT.—Section 21 of the Natural Gas Act (15 U.S.C. 717t) is amended—

(A) in subsection (a)—

(i) by striking "$5,000" and inserting "$1,000,000"; and

(ii) by striking "two years" and inserting "five years";

(B) in subsection (b), by striking "$900" and inserting "$50,000".

(2) NATURAL GAS POLICY ACT OF 1978.—Section 504(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3414(c)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "$5,000" and inserting "$50,000"; and

(ii) in subparagraph (B), by striking "two years" and inserting "five years"; and

(B) in paragraph (2), by striking "$500 for each violation" and inserting "$50,000 for each day on which the offense occurs".

B. CIVIL PENALTIES.—

(2) NATURAL GAS ACT.—The Natural Gas Act (15 U.S.C. 717 et seq.) is amended—

(A) by redesignating sections 22 through 24 as sections 24 through 26, respectively; and

(B) by inserting after section 21 (15 U.S.C. 717g) the following—

"CIVIL PENALTY AUTHORITY

"SEC. 22. (a) Any person that violates this Act, or any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this Act, shall be subject to a civil penalty of not more than $1,000,000 per day for violation for as long as the violation continues.

"(b) The penalty shall be assessed by the Commission after notice and opportunity for public hearing.

"(c) In determining the amount of a proposed penalty, the Commission shall take into consideration the nature and seriousness of the violation and the efforts to remedy the violation."


(A) in clause (i), by striking "$5,000" and inserting "$1,000,000"; and

(B) in clause (ii), by striking "$5,000" and inserting "$1,000,000".

SEC. 315. MARKET MANIPULATION.

The Natural Gas Act is amended by inserting after section 21 (15 U.S.C. 717t) the following—

"PROHIBITION ON MARKET MANIPULATION

"SEC. 4A. It shall be unlawful for any entity, directly or indirectly, to use or employ, in connection with the purchase or sale of natural gas or the transportation of natural gas, any method of transportation service subject to the jurisdiction of the Commission, any manipulative or deceptive device or contrivance (as those terms are used in section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78j(b))) in contravention of such rules and regulations as the Commission may prescribe as necessary in the public interest or for the protection of the public and gas ratepayers. Notwithstanding this section shall be construed to create a private right of action."
SEC. 321. TRANSFER OF ADMINISTRATIVE JURISDICTION AND ENVIRONMENTAL REMEDIATION—NAVAL PETROLEUM RESERVE NUMBERED 2, KERN COUNTY, CALIFORNIA.

(a) ADMINISTRATION JURISDICTION TRANSFER TO SECRETARY OF THE INTERIOR.—Effective on the date of the enactment of this Act, the administrative jurisdiction over all public domain lands included within Naval Petroleum Reserve Numbered 2 located in Kern County, California, (other than the lands specified in subsection (b)) are transferred from the Secretary of the Interior to the Secretary of the Treasury and shall be subject to the laws governing management of the public lands, and the regulations promulgated under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(b) EXCLUSION OF CERTAIN RESERVE LANDS.—The transfer of administrative jurisdiction made by subsection (a) does not include the following lands:


(2) That portion of the surface estate of Naval Petroleum Reserve Numbered 2 conveyed to the City of Taft, California, by section 331.

(c) PURPOSE OF TRANSFER.—The purpose of this subtitle is to:

(1) Protect the environment. To protect the environment, the Secretary shall regulate operations to prevent unnecessary degradation and to provide for ultimate economic recovery of the resources.

(2) DISPOSAL AUTHORITY AND SURFACE USE.—The Secretary of the Interior may dispose of lands subject to transfer under subsection (a), or allow commercial or non-profit use of service use of such lands, not to exceed 10 acres each, so long as the disposals or uses do not materially interfere with the ultimate economic recovery of the hydrocarbon resources of such lands.

(3) PRODUCTION OF HYDROCARBON RESOURCES.—Notwithstanding any other provision of law, the purpose of the transfer is to protect under subsection (a) is the production of hydrocarbon resources, and the Secretary of the Interior shall manage the lands in a fashion consistent with this purpose. In this purpose, managing the lands, the Secretary of the Interior shall regulate operations to prevent unnecessary degradation and to provide for ultimate economic recovery of the resources.

(4) IN-KIND.

In this subtitle, the term ‘‘Secretary’’ means the Secretary of the Interior.

SEC. 322. PROGRAM ON OIL AND GAS ROYALTIES IN-KIND.

(a) APPLICABILITY OF SECTION.—Notwithstanding any other provision of law, this section applies to all royalty in-kind accepted by the Secretary on or after the date of enactment of this Act by any Federal oil or gas lease or permit under—

(1) section 36 of the Mineral Leasing Act (30 U.S.C. 192); or

(2) section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353); or

(b) TERMS AND CONDITIONS.—All royalty accruing to the United States shall, on the demand of the Secretary, be paid in-kind. If the Secretary requires such payment, the lessee shall be subject to review and audit.

(c) SATISFACTION OF ROYALTY OBLIGATION.—Delivery by, or on behalf of the lessee of the lessee of the royalty amount and quality due under the lease satisfies royalty obligation of the lessee for the amount delivered, except that transportation and handling requirements平淡, or deductions claimed by, the lessee shall be subject to review and audit.

(d) MARKETABLE CONDITION.—In this paragraph, the term ‘‘in marketable condition’’ means sufficiently free from imperfections
and otherwise in a condition that the royalty production will be accepted by a purchaser under a sales contract typical of the field or area in which the royalty production was produced.

(B) REQUIREMENT.—Royalty production shall be placed in marketable condition by the lessee at no cost to the United States.

(3) DISPOSITION BY THE SECRETARY.—The Secretary may—

(A) sell or otherwise dispose of any royalty production taken in-kind (other than oil or gas taken in-kind to ensure, to the maximum extent practicable, that receiving royalties in-kind provides the expected revenue effect of taking royalties in-kind);

(B) an explanation of the evaluation that led the Secretary to take royalties in-kind from a lease or group of leases under subsection (a) and

(C) actual amounts received by the United States derived from taking royalties in-kind and payments made to third parties that are associated with taking royalties in-kind, including administrative savings and any new or increased administrative costs; and

(D) an explanation of any relevant public benefits or detriments associated with taking royalties in-kind.

(4) DEDUCTION OF EXPENSES.—

(1) IN GENERAL.—Before making payments under section 35 of the Mineral Leasing Act (30 U.S.C. 191) or section 6(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1347(b)) of revenues derived from the sale of royalty production taken in-kind from a lease, the Secretary shall—

(A) reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs; or

(B) transport or process (or both) any royalty production taken in-kind.

(5) LIMITATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may not use revenue from the sale of oil and gas taken in-kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use oil or gas received as royalty taken in-kind (referred to in this paragraph as “royalty production”) to pay the costs of—

(A) transporting the royalty production;

(B) processing the royalty production;

(C) disposing of the royalty production; or

(D) any combination of transporting, processing, and disposing of the royalty production.

(B) EXCEPTION.—Notwithstanding subparagraph (A), the Secretary may use a portion of the revenues from the royalty production in-kind, without fiscal year limitation, to pay salaries and other administrative costs directly related to the royalty in-kind program.

(6) REIMBURSEMENT OF COST.—If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the royalty gas or delivers the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary shall—

(1) reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs; and

(2) allow the lessee to deduct the transportation or processing costs in reporting and paying royalties in-value for other Federal oil and gas leases.

(d) BENEFIT TO THE UNITED STATES REQUIRED.—The Secretary may receive oil or gas royalties in-kind only if the Secretary determines that receiving royalties in-kind provides benefits to the United States that are greater than or equal to the benefits that are likely to have been received had royalties been taken in-value.

(e) REPORTS.—

(1) IN GENERAL.—Not later than September 30, 2006, the Secretary shall submit to Congress a report that addresses—

(A) actions taken to develop business processes and automated systems to fully support the royalty-in-kind capability to be used in tandem with the royalty-in-value approach in managing Federal oil and gas revenue; and

(B) future royalty-in-kind business operation plans and objectives.

(2) REPORTS ON OIL OR GAS ROYALTIES TAKEN IN-KIND.—For each of fiscal years 2006 through 2015 in which the United States takes oil or gas royalty production in-kind from any State or from the outer Continental Shelf, excluding royalties taken in-kind and sold to refiners under subsection (h), the Secretary shall submit to Congress a report that—

(A) the 1 or more methodologies used by the Secretary to determine compliance with subsection (d), including the performance standard for comparing amounts received by the United States derived from royalties in-kind to amounts likely to have been received had royalties been taken in-value;

(B) an explanation of the evaluation that led the Secretary to take royalties in-kind from a lease or group of leases under subsection (a) and

(C) actual amounts received by the United States derived from taking royalties in-kind and payments made to third parties that are associated with taking royalties in-kind, including administrative savings and any new or increased administrative costs; and

(D) an explanation of any relevant public benefits or detriments associated with taking royalties in-kind.

(3) ACCOUNTING FOR DEDUCTIONS.—When the Secretary allows the lessee to deduct transportation or processing costs under subsection (c), the Secretary may not reduce any payments to recipients of royalties paid from any oil or gas leases to the United States city average, as published by the Bureau of Labor Statistics for 90 consecutive trading days.

(4) PROBATION AMONG REFINERIES IN PRODUCTION AREA.—In disposing of oil under this subchapter, the Secretary may, at the discretion of the Secretary, provisionally limit access to the Secretary for refineries described in paragraph (1) in the area in which the oil is produced.

(ii) DISPOSITION TO FEDERAL AGENCIES.—

(I) ONSHORE ROYALTY.—Any royalty oil or gas taken by the Secretary in-kind from onshore oil and gas leases may be sold at not less than the market price.

(ii) OFFSHORE ROYALTY.—Any royalty oil or gas taken in-kind from a Federal oil or gas lease on the outer Continental Shelf shall be disposed of only under section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1333).

(I) FEDERAL LOW-INCOME ENERGY ASSISTANCE PROGRAMS.—

(1) PREFERENCE.—In disposing of royalty oil or gas taken in-kind under this section, the Secretary shall, in so far as practicable, prefer domestic refiners, including any Federal or State agency, for the purpose of providing additional resources to any Federal low-income energy assistance program.

(2) TERMINATION OF REDUCED ROYALTY RATE.—Any royalty rate prescribed in subsection (c)(1) shall terminate—

(A) with respect to oil production from a marginal property, on the first day of the production month following the date on which the applicable condition specified in subsection (b) is met; and

(B) with respect to gas production from a marginal property, on the first day of the production month following the date on which the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, is, on average, less than $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days.

(c) REDUCED ROYALTY RATE.—

(1) IN GENERAL.—When a marginal property meets the conditions specified in subsection (b), the royalty rate shall be the lesser of—

(A) 5 percent; or

(B) the applicable rate applicable under any other statutory or regulatory royalty relief provision that applies to the affected production.

(2) PERIOD OF EFFECTIVENESS.—The reduced royalty rate under this subsection shall be effective beginning on the first day of the production month following the date on which the applicable condition specified in subsection (b) is met.

(d) TERMINATION OF REDUCED ROYALTY RATE.—A royalty rate prescribed in subsection (c)(1) shall terminate—

(1) with respect to oil production from a marginal property, on the first day of the production month following the date on which—

(A) the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, on average, exceeds $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; or

(B) the property no longer qualifies as a marginal property; and

(2) with respect to gas production from a marginal property, on the first day of the production month following the date on which—

(A) the spot price of Henry Hub, Louisiana, on average, is, on average, less than $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; or

(B) the property no longer qualifies as a marginal property.

(e) REGULATIONS PRESCRIBING DIFFERENT REQUIREMENTS.—

(1) DISCRETIONARY REGULATIONS.—The Secretary may by regulation prescribe different parameters, standards, and requirements for, and

(2) ASSESSMENTS.—The Secretary may assess the effectiveness of granting preferences specified in paragraph (1); and

(3) PROVIDING SPECIFIC RECOMMENDATIONS.—The Secretary may provide a specific recommendation on the continuation of authority to grant preferences.
a different degree or extent of, royalty relief for marginal properties in lieu of those prescribed in subsections (a) through (d).

(2) MANDATORY REGULATIONS.—Unless a determination is made in accordance with paragraph (3), not later than 18 months after the date of enactment of this Act, the Secretary shall by regulation—

(A) prescribe standards and requirements for, and royalty incentive relief for, marginal properties for oil and gas leases on the outer Continental Shelf; and

(B) define what constitutes a marginal property on the outer Continental Shelf for purposes of this section.

(3) REPORT.—To the extent the Secretary determines that it is not practicable to issue the regulations under this subsection, the Secretary shall provide a report to Congress explaining such determination by not later than 18 months after the date of enactment of this Act.

(4) CONSIDERATIONS.—In issuing regulations under this subsection, the Secretary may consider—

(A) oil and gas prices and market trends;

(B) production costs;

(C) abandonment costs;

(D) Federal and State tax provisions and the effects of those provisions on production economics;

(E) other royalty relief programs;

(F) regional differences in average wellhead prices;

(G) national energy security issues; and

(H) other relevant matters, as determined by the Secretary.

(f) SAVINGS PROVISION.—Nothing in this section prevents a lessee from receiving royalty relief or a royalty reduction pursuant to any other provision (including a regulation) that provides more relief than the amounts provided by this section.

SEC. 344. INCENTIVES FOR NATURAL GAS PRODUCTION FROM DEEP WELLS IN THE SALTWATER WATERS OF THE GULF OF MEXICO.

(a) ROYALTY INCENTIVE REGULATIONS FOR ULTRA DEEP GAS WELLS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, in addition to any other regulations that may provide royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary shall issue regulations granting royalty relief suspensions for the production of crude oil from deep wells in the Gulf of Mexico. In issuing such regulations, the Secretary shall consider—

(A) the ultra deep wells in a sidetrack; or

(B) the lease has previously produced from wells in the Gulf of Mexico wholly west of 87 degrees, 30 minutes west longitude.

(2) SUSPENSION VOLUMES.—The Secretary may—

(a) establish a stabilization program that requires the lessee to suspend production of any royalty interest in oil or gas from a lease in the Gulf of Mexico if the Secretary determines that the volume of oil or gas produced from the lease is lower than the volume of oil or gas produced from a comparable lease in the Gulf of Mexico. In determining whether a lease is comparable, the Secretary shall consider—

(I) the lease's location in the Gulf of Mexico;

(II) re-entering and deepening a previously drilled hole; and

(III) the term "side-track" includes—

(i) drilling a well from a platform slot retained from a previously drilled well; and

(ii) re-entering a previously drilled well, including a sidetrack, including drilling through material blocking a hole or drilling to a new objective bottom-hole location by leaving a previously drilled hole.

(b) LIMITATIONS.—The Secretary may place limitations on royalty relief granted under this section based on market price. The royalty relief granted under this section shall not apply to a lease for which deep water royalty relief is available.

SEC. 345. ROYALTY RELIEF FOR DEEP WATER PRODUCTION.

(a) IN GENERAL.—Subject to subsections (b) and (c), for each tract located in water depths of greater than 400 meters in the Western and Central Planning Area of the Gulf of Mexico (including the portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes west longitude), any oil or gas sale lease under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) occurring during the 5-year period beginning on the date of enactment of this Act shall use the bidding system authorized under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)).

(b) SUSPENSION OF ROYALTIES.—The suspension of royalties under subsection (a) shall be established at a volume of not less than—

(1) 5,000,000 barrels of oil equivalent for each lease in water depths greater than 400 meters and less than 600 meters west longitude;

(2) 9,000,000 barrels of oil equivalent for each lease in water depths of 600 to 1,200 meters;

(3) 12,000,000 barrels of oil equivalent for each lease in water depths of 1,200 to 2,000 meters; and

(4) 16,000,000 barrels of oil equivalent for each lease in water depths greater than 2,000 meters.

(c) LIMITATIONS.—The Secretary may place limitations on royalty relief granted under this section based on market price. The royalty relief granted under this section shall not apply to a lease for which deep water royalty relief is available.

SEC. 346. ALASKA OFFSHORE ROYALTY SUSPENSION.

Section 8(a)(3)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B)) is amended by inserting "offshore Alaska" after the Primary Lease and the lessee certifies, and the Secretary agrees, that hydrocarbon resources were discovered on one or more wells drilled on the leased land in such quantities that a prudent operator would hold the lease for potential future development.

(2) RETENTION OF LEASES.—At the end of the primary term of a lease the Secretary shall renew for an additional 10-year term a lease that does not meet the requirements of paragraph (1) if the lessee submits to the Secretary a declaration that the lessee believes that the lease described in paragraph (1) is a part of a development project covering a lease described in subparagraph (A); and

(ii) has not been previously contracted out of the unit.

(A) APPLICABILITY.—This subsection applies to a lease that is in effect on or after the date of enactment of the Energy Policy Act of 2005.
“(5) EXPEDIENCY FOR FAILURE TO PRODUCE.—Notwithstanding any other provision of this Act, if no oil or gas is produced from a lease within 30 years after the date of the issuance of the lease, the lease shall expire.

“(6) TERMINATION.—No lease issued under this section covering lands capable of producing oil or gas shall expire because the lease fails to produce the same due to circumstances beyond the control of the lessee.

“(ii) UNIT AGREEMENTS.—

“(1) IN GENERAL.—For the purpose of conservation of the natural resources of all or part of any oil or gas pool, field, reservoir, or like area, leases (including representatives of the pool, field, reservoir, or like area) may unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit agreement for all or part of the pool, field, reservoir, or like area (whether or not any other part of the oil or gas pool, field, reservoir, or like area is already subject to any cooperative or unit plan of development or operation), if the Secretary determines the action to be necessary or advisable in the public interest. In determining the public interest, the Secretary should consider, among other things, the extent to which the unit agreement will minimize the impact to surface resources of the leases and will facilitate consolidation of facilities.

“(iii) PRODUCTION ALLOCATION METHODOLOGY.—The Secretary may use a production allocation methodology for each participating area within a unit that includes solely Federal land in the Reserve.

“(iv) a procedure to be prescribed by the Secretary which includes (A) a method for determining the proportion of the oil or gas produced from or allocated to that portion; and (B) a method for determining the proportion of the oil or gas produced from or allocated to thatportion; and (ii) in a case described in clause (i), the Secretary of the Interior shall—

“(a) conform to the agreement; and

“(b) conform to the agreement to the extent that the science conducted by participating groups is of the highest technical quality.

“(c) MEMBERSHIP.—

“(1) IN GENERAL.—To ensure comprehensive collection of scientific data, in carrying out the Initiative, the Secretary shall consult and coordinate with Federal, State, and local agencies that have responsibilities for land and resource management across the North Slope.

“(2) COOPERATIVE AGREEMENTS.—The Secretary shall enter into cooperative agreements with the State of Alaska, the North Slope Borough, the Arctic Slope Regional Corporation, the North Slope Science Initiative, and other Federal agencies as appropriate to coordinate efforts, share resources, and fund projects under this section.

“(3) SCIENCE TECHNICAL ADVISORY PANEL.—

“(1) IN GENERAL.—The Initiative shall include a panel to provide advice on proposed inventory, monitoring, and research functions.

“(2) MEMBERSHIP.—The panel described in paragraphs (1) shall consist of a representative group of not more than 15 scientists and technical experts from diverse professional and interests, including the oil and gas industry, subsistence users, Native Alaskan entities, conservation organizations, wildlife management organizations, and academia, as determined by the Secretary.

“(e) REPORTS.—Not later than 3 years after the date of enactment of this Act and each year thereafter, the Secretary shall publish a report that describes the studies and findings of the Initiative.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section. SEC. 349. ORPHANED, ABANDONED, OR IDLED WELLS ON FEDERAL LAND.

“(g) IN GENERAL.—The Secretary of the Interior, in cooperation with the Secretary of Agriculture, shall establish a program not later than 1 year after the date of enactment of this Act to remediate, remove, and rehabilitate orphaned, abandoned, or idled oil and gas wells located on land administered by the land management agencies within the North Slope.

“(h) TERMINATION.—The program established under paragraphs (b) and (g), respectively, shall terminate 10 years after the date of enactment of this Act.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.
The Federal share of royalties or other means.

(2) provide for identification and recovery of the costs of remediation, reclamation, and closure from persons or other entities currently providing a bond or other financial assurance required under State or Federal law for an oil or gas well that is orphaned, abandoned, or idled; and (3) provide for recovery from the persons or entities identified under paragraph (2), or their sureties or guarantors, of the costs of remediation, reclamation, and closure of such wells.

(c) COOPERATION AND CONSULTATIONS.—In carrying out the program under subsection (a), the Secretary shall—

(1) work cooperatively with the Secretary of Agriculture and the States within which Federal land is located; and (2) consult with the Secretary of Energy and the Interstate Oil and Gas Compact Commission.

(d) PLAN.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the Secretary of Agriculture, shall submit to Congress a plan for carrying out the program under subsection (a).

(e) DOLLED WELLS.—For the purposes of this section, a well is idled if—

(1) the well has been nonoperational for at least 7 years; and (2) there is no anticipated beneficial use for the well.

(f) FEDERAL REIMBURSEMENT FOR ORPHANED WELL RECLAMATION PILOT PROGRAM.—

(1) REIMBURSEMENT FOR REMEDIATING, RECLAIMING, AND CLOSING WELLS ON LAND SUBJECT TO A NEW LEASE.—The Secretary shall carry out a pilot program under which, in issuing a new oil and gas lease on federally owned land on which 1 or more orphaned wells are located, the Secretary—

(A) may require, other than as a condition of the lease, that the lessee remediate, reclaim, and close in accordance with standards established by the Secretary, all orphaned wells on the land leased; and (B) shall develop a program to reimburse the lessee, in whole or in part, for costs of financial assurance required under State or Federal law for an oil or gas well that is orphaned, abandoned, or idled; and (2) REIMBURSEMENT FOR RECLAIMING ORPHANED WELLS ON OTHER LAND.—In carrying out this subsection, the Secretary—

(A) may authorize any lessee under an oil and gas lease on federally owned land to reclaim in accordance with the Secretary's standards—

(i) an orphaned well on unleased federally owned land, or (ii) an orphaned well located on an existing lease on federally owned land for the reclamation of which the lessee is not legally responsible; and (B) shall develop a program to provide reimbursement of 100 percent of the reasonable actual costs of remediating, reclaiming, and closing the orphaned well, through credits against the Federal share of royalties or other means.

(3) REGULATIONS.—The Secretary may issue such regulations as are appropriate to carry out this subsection.

(g) TECHNICAL ASSISTANCE PROGRAM FOR NON-FEDERAL LAND.—

(1) IN GENERAL.—The Secretary of Energy shall establish a program to provide technical and financial assistance to oil and gas producing States to facilitate State efforts over a 10-year period to address a practical and economical remedy for environmental problems caused by orphaned or abandoned oil and gas exploration or production well sites on State or private land.

(2) ASSISTANCE.—The Secretary of Energy shall work with the States, through the Interstate Oil and Gas Compact Commission, to assist the States in quantifying and mitigating environmental risks of onshore orphaned or abandoned oil or gas wells on State and private land.

(3) DEPARTMENTAL FUNDING.—The program under paragraph (1) shall include—

(A) a mechanism to facilitate identification, if feasible, of the persons currently providing a bond or other form of financial assurance required under State or Federal law for an oil or gas well that is orphaned or abandoned; and (B) criteria for ranked or abandoned well sites based on factors such as public health and safety, potential environmental harm, and other land use priorities.

(4) FEDERAL REIMBURSEMENT FOR ORPHANED, ABANDONED, OR IDLED WELLS ON OTHER LAND.

(a) SPECIFIC PROVISIONS REGARDING LEASING.—Section 17(b)(2) of the Mineral Leasing Act (30 U.S.C. 185(b)(2)) is amended by—

(1) by inserting "(A)" after "(2)"; and (2) by adding at the end the following:—

(B) After any area that contains any combination of tar sand, oil and gas (or both), the Secretary may issue under this Act, separately from Federal land, a combined hydrocarbon lease.

(c) TECHNICAL ASSISTANCE PROGRAM FOR NON-FEDERAL LAND.

(a) ESTABLISHMENT.—The Secretary shall establish, as a component of the Program, a data archive system to provide for the storage, preservation, and archiving of subsurface, surface, geologic, geophysical, and engineering data and samples. The Secretary, in consultation with the States, may determine the appropriate catalog guidelines relating to the data archive system, including the types of data and samples to be preserved.

(b) PROGRAM COMPONENTS.—The system shall be comprised of—

(1) Federal Agency Component—The Secretary shall be the Federal component of the system and agencies within the Department of the Interior that maintain geologic and geophysical data and samples that are designated by the Secretary in accordance with this subsection. The Program shall provide for the storage of data and samples through data repositories operated by such agencies.

(2) LIMITATION OF RESPONSIBILITY.—The Secretary may not designate a State agency as a component of the data archive system unless that agency is the agency that acts as the geographic survey in the State.

(3) DATA FROM FEDERAL LAND.—The data archive system shall provide for the archiving of relevant subsurface data and samples obtained from Federal land—

(A) in the most appropriate repository designated under paragraph (2), with preference being given to archiving data in the State in which the data were collected; and (B) consistent with all applicable law and requirements relating to confidentiality and proprietary data.

(f) ADVISORY COMMITTEE.—Subject to the availability of appropriations, the Advisory Committee shall advise the Secretary on planning and implementation of the Program.

(1) IN GENERAL.—The Advisory Committee shall advise the Secretary on planning and implementation of the Program.

(2) NEW DUTIES.—In addition to its duties under the National Geologic Mapping Act of 1992 (43 U.S.C. 31a et seq.), the Advisory Committee shall perform the following duties:

(A) Review the progress of the Program in the data archive system and the data archive system established under subsection (d)(1); (B) the repository for particular material in the system; and (C) the means of accessing the material.

(3) AVAILABILITY.—The Secretary shall make the national catalog accessible to the public on the website of the Survey or in any other manner consistent with all applicable requirements related to confidentiality and proprietary data.

(c) IDENTIFY USEFUL STUDIES OF DATA ARCHIVED UNDER THE PROGRAM THAT WILL ADVANCE UNDERSTANDING OF THE NATION'S ENERGY AND MINERAL RESOURCES, GEOLOGIC HAZARDS, AND ENGINEERING GEOLOGY.

(1) DUBLISH THE PROGRESS OF THE PROGRAM IN ARCHIVING SIGNIFICANT DATA AND PREVENTING THE LOSS OF SUCH DATA, AND THE SCIENTIFIC PROGRESS OF THE STUDIES FUNDED UNDER THE PROGRAM.

(h) FINANCIAL ASSISTANCE.—Subject to the availability of appropriations, the Secretary shall provide financial assistance to a State agency that is designated under subsection (d)(2) for providing facilities to archive energy material.

(2) STUDIES.—In addition to the availability of appropriations, the Secretary shall provide financial assistance to any State agency designated by the Secretary to conduct financial and technical assistance activities that enhance understanding, interpretation, and use of materials.
SEC. 353. GAS HYDRATE PRODUCTION INCENTIVE.

(a) PURPOSE.—The purpose of this section is—

(1) promote natural gas production from the natural gas hydrate resources on the outer Continental Shelf and on Federal lands in Alaska by providing royalty incentives;

(b) SUSPENSION OF ROYALTIES.—

(1) IN GENERAL.—The Secretary may grant royalty relief in accordance with this section for natural gas produced from gas hydrate resources on an eligible lease.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is issued under the Outer Continental Shelf Lands Act (30 U.S.C. 131 et seq.), or is an oil and gas lease issued for onshore Federal lands in Alaska;

(B) it is issued prior to January 1, 2016; and

(C) production under the lease of natural gas from gas hydrate resources commences prior to January 1, 2016.

(3) AMOUNT OF RELIEF.—The Secretary shall carry out this section in a manner designed to—

(A) encourage production of natural gas from gas hydrate resources on an eligible lease; and

(B) ensure that the maximum suspension volume under this section as a suspension volume if the Secretary determines that such royalty relief would encourage production of natural gas from gas hydrate resources on an eligible lease shall be 30 billion cubic feet of natural gas per lease. Such relief shall be in addition to any other royalty relief under any other provision applicable to the lease that does not specifically grant a gas hydrate production incentive. Such royalty suspension shall be provided only to any advance production occurring on or after the date of publication of the advanced notice of proposed rulemaking.

(d) RULEMAKINGS.—

(1) REQUIREMENTS.—The Secretary shall publish the advanced notice of proposed rulemaking within 180 days after the date of enactment of this Act and complete the rulemaking implementing this section within 365 days after the date of enactment of this Act.

SEC. 354. ENHANCED OIL AND NATURAL GAS PRODUCTION THROUGH CARBON DIOXIDE INJECTION.

(a) PRODUCTION INCENTIVE.—

(1) FINDINGS.—Congress finds the following:

(A) Approximately two-thirds of the original oil in place in the United States remains unproduced.

(B) Enhanced oil and natural gas production from the sequestering of carbon dioxide and other appropriate gases has the potential to increase oil and natural gas production.

(C) Capturing and productively using carbon dioxide would help reduce the carbon intensity of the economy.

(2) PURPOSE.—The purpose of this section is—

(A) to promote the capturing, transportation, and injection of carbon dioxide, natural carbon dioxide, and other appropriate gases or other matter for sequestration into oil and gas fields; and

(B) to promote the development of costs associated with enhanced oil recovery techniques including injection of the substances referred to in subparagraph (A).

(b) SUSPENSION OF ROYALTIES.—

(1) IN GENERAL.—The Secretary may grant royalty relief in accordance with this section for enhanced oil recovery techniques used.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is issued under the Outer Continental Shelf Lands Act (30 U.S.C. 131 et seq.), or is an oil and gas lease issued for onshore Federal lands in Alaska;

(B) it is issued prior to January 1, 2016; and

(C) production under the lease of oil and gas from the outer Continental Shelf and onshore Federal lands under lease by providing royalty incentives to use enhanced recovery techniques using injection of the substances referred to in subparagraph (A).

(c) REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall—

(A) determine that reduction of the royalty under a Federal oil and gas lease that is an eligible lease is in the public interest and promotes the purposes of this section, and shall undertake a rulemaking to provide for such reduction for an eligible lease.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is a lease for production of oil and gas from the outer Continental Shelf or Federal onshore lands;

(B) the injection of the substances referred to in subsection (a)(2)(A) will be used as an enhanced oil recovery technique on such lease; and

(C) the Secretary determines that the lease contains oil or gas that would not likely be produced without the royalty reduction provided under this section.

(d) LIMITATION.—The Secretary may place limitations on the royalty relief granted under this section based on market price.

(e) REPORT.—The Secretary shall include in each report under section 8 of the National Geologic and Geophysical Data Preservation Program carried out under this section—

(1) a description of the status of the Program; and

(2) an evaluation of the progress achieved in complying with this section within 365 days after the date of enactment of this Act.

SEC. 355. GAS HYDRATE PRODUCTION THROUGH CARBON DIOXIDE INJECTION.

(a) PRODUCTION INCENTIVE.—

(1) FINDINGS.—Congress finds the following:

(A) Approximately two-thirds of the original oil in place in the United States remains unproduced.

(B) Enhanced oil and natural gas production from the sequestering of carbon dioxide and other appropriate gases has the potential to increase oil and natural gas production.

(C) Capturing and productively using carbon dioxide would help reduce the carbon intensity of the economy.

(2) PURPOSE.—The purpose of this section is—

(A) to promote the capturing, transportation, and injection of carbon dioxide, natural carbon dioxide, and other appropriate gases or other matter for sequestration into oil and gas fields; and

(B) to promote the development of costs associated with enhanced oil recovery techniques including injection of the substances referred to in subparagraph (A).

(b) SUSPENSION OF ROYALTIES.—

(1) IN GENERAL.—The Secretary may grant royalty relief in accordance with this section for enhanced oil recovery techniques used.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is issued under the Outer Continental Shelf Lands Act (30 U.S.C. 131 et seq.), or is an oil and gas lease issued for onshore Federal lands in Alaska;

(B) it is issued prior to January 1, 2016; and

(C) production under the lease of oil and gas from the outer Continental Shelf and onshore Federal lands under lease by providing royalty incentives to use enhanced recovery techniques using injection of the substances referred to in subparagraph (A).

(c) REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall—

(A) determine that reduction of the royalty under a Federal oil and gas lease that is an eligible lease is in the public interest and promotes the purposes of this section, and shall undertake a rulemaking to provide for such reduction for an eligible lease.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is a lease for production of oil and gas from the outer Continental Shelf or Federal onshore lands;

(B) the injection of the substances referred to in subsection (a)(2)(A) will be used as an enhanced oil recovery technique on such lease; and

(C) the Secretary determines that the lease contains oil or gas that would not likely be produced without the royalty reduction provided under this section.

(d) LIMITATION.—The Secretary may place limitations on the royalty reduction granted under this section based on market price.

(e) REPORT.—The Secretary shall include in each report under section 8 of the National Geologic and Geophysical Data Preservation Program carried out under this section—

(1) a description of the status of the Program; and

(2) an evaluation of the progress achieved in complying with this section within 365 days after the date of enactment of this Act.
(5) DEMONSTRATION PROGRAM REQUIREMENTS.—
(A) MAXIMUM AMOUNT.—The Secretary of Energy shall not provide more than $3,000,000 in Federal assistance under this subsection to any applicant.
(B) COST SHARING.—The Secretary of Energy shall require cost-sharing under this subsection in an amount as determined by the Secretary.
(C) PERIOD OF GRANTS.—
(i) IN GENERAL.—A project funded by a grant under this subsection shall begin construction not later than 2 years after the date of issuance of the grant, but in any case not later than December 31, 2016.
(ii) UNITED STATES.—The Secretary shall not provide grant funds to any applicant under this subsection for a project that will begin construction after the date of enactment of this Act, the Secretary may provide funding for any project that will begin construction on or after the date of enactment of this Act.

(6) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary of Energy shall establish mechanisms to ensure that the information and knowledge gained by participants in the program under this subsection are transferred among other participants interested persons, including other applicants that submitted applications for a grant under this subsection.

(7) SCHEDULE.—
(A) PUBLICATION.—Not later than 180 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register a Federal Register notice with the appropriate safeguards, a request for applications to carry out projects under this subsection.
(B) DATE FOR APPLICATIONS.—An application for a grant under this subsection shall be submitted not later than 180 days after the date of publication of the request under subparagraph (A).

(C) SELECTION.—After the date by which applications for grants are required to be submitted under subparagraph (B), the Secretary of Energy shall, in a timely manner, select projects to be awarded a grant under this subsection.

(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 355. ASSESSMENT OF DEPENDENCE ON STATE OF HAWAII ON OIL.

(a) ASSESSMENT.—The Secretary of Energy shall assess the economic implications of the dependence of the State of Hawaii on oil as the principal source of energy for the State, including—
(1) the short- and long-term prospects for crude oil supply disruption and price volatility and potential impacts on the economy of Hawaii;
(2) the economic relationship between oil-fired generation of electricity from residual fuel and refined products consumed for ground, marine, and air transportation;
(3) the technical and economic feasibility of increasing the contribution of renewable energy resources for generation of electricity, on an island-by-island basis, including—
(A) siting and facility configurations;
(B) environmental, operational, and safety considerations;
(C) the availability of technology;
(D) the effects on the utility system, including reliability;
(E) infrastructure and transport requirements;
(F) community support; and
(G) other factors affecting the economic impact of such an increase and any effect on the economic relationship described in paragraph (2).

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit a report to Congress that describes—
(i) the time, place, and subject matter of the meeting;
(ii) whether the meeting is to be open or closed to the public; and
(iii) the name and telephone number of an appropriate Federal officer to request for information at the meeting.

(2) ACTIONS TAKEN.—The Commission shall publish a report on any actions taken under this section.

SEC. 357. DENALI COMMISSION.

(A) DEFINITION OF COMMISSION.—In this section, the term "Commission" means the Denali Commission established by the Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277).

(B) ENERGY PROGRAMS.—The Commission shall use the $55,000,000 appropriation under section (d) to carry out energy programs, including—
(1) energy generation and development, including—
(A) fuel cells, hydroelectric, solar, wind, wave, and tidal energy; and
(B) other alternative energy sources;
(2) the construction of energy transmission, including interties;
(3) the replacement and cleanup of fuel tanks;
(4) the construction of fuel transportation networks and related facilities;
(5) power cost equalization programs; and
(6) projects using coal as a fuel, including coal gasification processes.

(C) OPEN MEETINGS.—
(1) IN GENERAL.—Except as provided in paragraph (2), a meeting of the Commission shall be open to the public.

(2) ACTIONS TAKEN OR ANY PLANS TO IMPROVE THE EFFECTIVENESS OF THE COMMISSION.—
(A) The Commission members take action on behalf of the Commission; or
(B) The deliberations of the Commission determine, or result in the joint conduct or disposition of, official Commission business.

(3) EXCEPTIONS.—Paragraph (1) shall not apply to any portion of a Commission meeting for which the Commission, in public session, votes to close the meeting for the reasons described in paragraph (2), (4), (5), or (6) of subsection (c) of section 552b of title 5, United States Code.

(4) PUBLIC NOTICE.—
(A) IN GENERAL.—At least 1 week before a meeting of the Commission, the Commission shall provide public notice of the meeting that describes—
(i) the time, place, and subject matter of the meeting;
(ii) whether the meeting is to be open or closed to the public; and
(iii) the name and telephone number of an appropriate Federal officer to request for information at the meeting.

(B) ADDITIONAL NOTICE.—The Commission shall publish a report on any actions taken under this section.

SEC. 358. COMPREHENSIVE INVENTORY OF OCS CANDIDATE OIL AND GAS RESOURCES.

(a) IN GENERAL.—The Secretary shall conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the United States Outer Continental Shelf ("OCS"). The inventory and analysis shall—
(1) use available data on oil and gas resources in areas offshore of Mexico and Canada that have been under production or under exploration, including areas such as the deepwater and subaerial areas in the Gulf of Mexico, for the purpose of assessing the effect that undersaturated oil and gas resource inventories have on domestic energy investments; and
(2) use any available technology, except drilling, including 3-D seismic technology to obtain accurate resource estimates;

(b) REPORT.—Not later than 365 days after the date of enactment of this Act, the Secretary shall submit a report to Congress that describes any analysis of resource assessments, together with any recommendations, within 6 months of the date of enactment of the section.

Sec. 359. FEDERAL ONSHORE OIL AND GAS LEASING PROGRAMS.

(a) REVIEW OF ONSHORE OIL AND GAS LEASING PROGRAMS.—
(1) IN GENERAL.—The Secretary of the Interior, in consultation with the Secretary of Agriculture, shall prepare a report to Congress that describes any analysis of resource assessments, together with any recommendations, within 6 months of the date of enactment of the section.

(b) FEDERAL ONSHORE OIL AND GAS LEASING PROGRAMS.—
(A) TIMELY ACTION ON LEASES AND PERMITS.—

(2) ACTIONS TAKEN OR ANY PLANS TO IMPROVE THE EFFECTIVENESS OF THE COMMISSION.—

(3) EXCEPTIONS.—Paragraph (1) shall not apply to any portion of a Commission meeting for which the Commission, in public session, votes to close the meeting for the reasons described in paragraph (2), (4), (5), or (6) of subsection (c) of section 552b of title 5, United States Code.

(4) PUBLIC NOTICE.—
(A) IN GENERAL.—At least 1 week before a meeting of the Commission, the Commission shall provide public notice of the meeting that describes—
(i) the time, place, and subject matter of the meeting;
(ii) whether the meeting is to be open or closed to the public; and
(iii) the name and telephone number of an appropriate Federal officer to request for information at the meeting.

(B) ADDITIONAL NOTICE.—The Commission shall publish a report on any actions taken under this section.
(1) SECRETARY OF THE INTERIOR.—To ensure timely action on oil and gas leases and applications for permits to drill on land otherwise available for leasing, the Secretary of the Interior shall—

(a) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(b) ensure consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

(2) SECRETARY OF AGRICULTURE.—To ensure timely action on oil and gas lease applications for permits to drill on land otherwise available for leasing, the Secretary of Agriculture shall—

(a) ensure expeditious compliance with all applicable environmental and cultural resources laws;

(b) improve consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing activities.

SEC. 363. CONSULTATION REGARDING OIL AND GAS LEASING ACTIVITIES.

(I) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall develop and implement best management practices to—

(A) improve the administration of the onshore oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.); and

(B) improve consultation and coordination with the Secretary of Agriculture.

(II) ESTIMATES OF OIL AND GAS RESOURCES UNDERLYING ONSHORE PUBLIC LAND.

(A) ASSESSMENT.—Section 604 of the Energy Policy Act of 2005 (42 U.S.C. 1707) is amended—

(1) in subsection (a)—

(A) by striking ‘‘reserve’’; and

(B) by striking paragraph (2) and inserting the following:

(2) the extent and nature of any restrictions or impediments to the development of the resource, including—

(A) impediments to the timely granting of leases;

(B) post-lease restrictions, impediments, or delays on development for conditions of approval, applications for permits to drill, or processing of environmental reviews; and

(C) permits or restrictions associated with transporting the resources for entry into commerce;

(3) in subsection (b)—

(A) by striking ‘‘reserve’’ and inserting ‘‘resource’’; and

(B) by striking ‘‘publicly’’ and inserting ‘‘publicly’’;

(4) by striking subsection (d) and inserting the following:

(1) the quantity of resources not produced or introduced into commerce because of the restrictions; and

(2) in subsection (d)—

(A) by striking ‘‘reserve’’ and inserting ‘‘resource’’; and

(B) by striking ‘‘publicly’’ and inserting ‘‘publicly’’;

(5) in subsection (e)—

(A) by striking ‘‘reserve’’ and inserting ‘‘resource’’; and

(B) by inserting the following:

(1) in section 191 (43 U.S.C. 1711) the Secretary shall—

(A) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(B) improve consultation and coordination with the States and the public; and

(C) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

(II) CONSULTATION REGARDING OIL AND GAS LEASING ACTIVITIES.

(I) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—

(a) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(b) improve consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

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(a) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(b) improve consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

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(a) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(b) improve consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

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(I) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—

(a) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other applicable environmental and cultural resources laws;

(b) improve consultation and coordination with the States and the public; and

(c) improve the collection, storage, and retrieval of information relating to the oil and gas leasing program.

(II) CONSULTATION REGARDING OIL AND GAS LEASING ACTIVITIES.
shall be deposited in the Treasury, to be allocated in accordance with paragraph (2).

(2) Of the amounts deposited in the Treasury under paragraph (1) —

(A) percent of which shall be paid by the Secretary of the Treasury to the State within the boundaries of which the leased land is located or the deposits were derived; and

(B) percent of which shall be deposited in a special fund in the Treasury, to be known as the ‘BLM Permit Processing Improvement Fund’ (referred to in this subsection as the ‘Fund’),

(2) For each of fiscal years 2006 through 2015, the Fund shall be available to the Secretary of the Interior for expenditure, without further appropriation or fiscal year limitation, for the coordination and processing of oil and gas use authorizations on onshore Federal land under the jurisdiction of the Pilot Project offices identified in section 36(d) of the Energy Policy Act of 2005.

(h) Transfer of Funds.—For the purposes of coordination and processing of oil and gas use authorizations on Federal land under the administration of the Pilot Project offices identified in subsection (d), the Secretary may authorize the expenditure or transfer of such funds as are necessary for —

(1) the United States Fish and Wildlife Service;

(2) the Bureau of Indian Affairs;

(3) the Forest Service;

(4) the Environmental Protection Agency;

(5) the Corps of Engineers; and

(6) the States of Wyoming, Montana, Colorado, Utah, and New Mexico.

(i) Fees.—During the period in which the Pilot Project is authorized, the Secretary shall not implement a rulemaking that would enable an increase in fees to recover additional costs related to processing drilling-related permit applications and use authorizations.

(j) Payment Provision.—Nothing in this section affects —

(1) the operation of any Federal or State law; or

(2) any delegation of authority made by the head of a Federal agency whose employees are participating in the Pilot Project.

SEC. 366. DEADLINE FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended by adding at the end the following:

‘‘(a) DEADLINES FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.—

‘‘(1) IN GENERAL.—Not later than 10 days after the date on which the Secretary receives an application for any permit to drill, the Secretary shall—

(A) notify the applicant that the application is complete; or

(B) notify the applicant that information is missing and specify any information that is required to be submitted for the application to be complete.

‘‘(2) APPROPRIATE USE OF INFORMATION.—The Secretary of the Interior, in consultation with the Federal Energy Regulatory Commission, the Secretary of Commerce, the Secretary of Defense, the Secretary of the Interior, and other interested parties, shall establish procedures under their respective authorities that —

(1) ensure that additional corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land are promptly identified and designated as necessary; and

(2) expedite applications to construct or modify oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities within such corridors, taking into account prior analyses and environmental reviews undertaken during the designation of such corridors.

(3) ONGOING RESPONSIBILITIES.—The Secretary of the Interior, in consultation with the Federal Energy Regulatory Commission, affected utility industries, and other interested parties, shall establish procedures under their respective authorities that —

(1) ensure that additional corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land are promptly identified and designated as necessary; and

(2) expedite applications to construct or modify oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities within such corridors, taking into account prior analyses and environmental reviews undertaken during the designation of such corridors.

(3) CONSIDERATIONS.—In carrying out this section, the Secretaries shall take into account the need for upgraded and new electricity transmission and distribution facilities to —

(1) improve reliability;

(2) relieve congestion; and

(3) enhance the capability of the national grid to deliver electricity.

(4) SPECIFICATION OF CORRIDOR.—A corridor designated under this subsection shall, at a minimum, specify the centerline, width, and compatible uses of the corridor.

SEC. 369. OIL SHALE, TAR SANDS, AND OTHER STRATEGIC FUELS.

(1) SHORT TITLE.—This section may be cited as the “Oil Shale, Tar Sands, and Other Strategic Unconventional Fuels Act.”

(2) DECLARATION OF POLICY.—Congress declares that it is the policy of the United States that —

(1) United States oil shale, tar sands, and other unconventional fuels are strategically important domestic resources that should be developed to reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports;

(2) the development of oil shale, tar sands, and other strategic unconventional fuels, for research and commercial development, should be conducted in an environmentally sound manner, using practices that minimize impacts; and

(3) development of the United States strategic unconventional fuels should occur, with an emphasis on sustainability, to benefit the United States while taking into account affected States and communities.

(3) LEASING PROGRAM FOR RESEARCH AND DEVELOPMENT OF OIL SHALE AND TAR SANDS.—In accordance with section 21 of the Mineral Leasing Act (30 U.S.C. 241) and any other applicable law, except as provided in this section, not later than 180 days after the date of enactment of this Act, from land otherwise available for leasing, the Secretary of the Interior (referred to in this section as the “Secretary”) shall make available for leasing such land as the Secretary considers to be necessary to conduct research and development activities with technologies for the recovery of liquid fuels from oil shale and tar sands resources on public lands, and shall take all reasonable steps to ensure that such technology is available for research and development leasing.

(4) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT AND COMMERICAL LEASING PROGRAM FOR OIL SHALE AND TAR SANDS.—

(1) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the Federal Energy Regulatory Commission, the Environmental Protection Agency, the Secretaries of Commerce, the Interior, the Army, and other affected Federal, State, and local agencies, shall prepare a Draft Programmatic Environmental Impact Statement for a commercial leasing program for oil shale and tar sands resources on public lands, with an emphasis on
the most geologically prospective lands within each of the States of Colorado, Utah, and Wyoming.

(2) FINAL REGULATION.—Not later than 6 months after the enactment of this Act, the Secretary shall publish a final regulation establishing such program.

(e) COMMENCEMENT OF COMMERCIAL LEASING OF OIL SHALE AND TAR SANDS.—Not later than 180 days after publication of the final regulation required by subsection (d), the Secretary shall consult with the Governors of States having significant oil shale and tar sands resources in public lands, representatives of local governments in those States, interested Indian tribes, and other interested persons, to determine the level of support and interest in the States in the development of tar sands and oil shale resources. If the Secretary finds sufficient support and interest exists in a State, the Secretary may conduct a lease sale in that State under the commercial leasing program regulations. Evidence of interest in a lease sale under this subsection shall include, but not be limited to, appropriate areas nominated for leasing by potential lessees and other interested parties.

(f) DILIGENT DEVELOPMENT REQUIREMENTS.—The Secretary shall, by regulation, designate work requirements and milestones to ensure the diligent development of the lease.

(g) INITIAL REPORT BY THE SECRETARY OF THE INTERIOR.—Within 90 days after the date of enactment of this Act, the Secretary of the Interior shall certify in a report on Recreation of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on—

(1) the interim actions necessary to—

(A) develop the program, complete the programmatic environmental impact statement, and promulgate the final regulation as required by subsection (b); and

(B) conduct the first lease sales under the program as required by subsection (e); and

(2) a schedule to complete such actions within the time limits mandated by this section.

(h) TASK FORCE.—

(1) ESTABLISHMENT.—The Secretary of Energy, in cooperation with the Secretary of the Interior and the Secretary of Defense, shall establish a task force to develop a program to coordinate and accelerate the commercial development of unconventional fuels, including but not limited to oil shale and tar sands resources within the United States, in an integrated manner.

(2) COMPOSITION.—The Task Force shall be composed of—

(A) the Secretary of Energy (or the designee of the Secretary);

(B) the Secretary of the Interior (or the designee of the Secretary of the Interior);

(C) the Secretary of Defense (or the designee of the Secretary of Defense);

(D) the Governors of affected States; and

(E) representatives of local governments in affected areas.

(i) RECOMMENDATIONS.—The Task Force shall make such recommendations regarding the development of the strategic unconventional fuels resources within the United States as it deems appropriate.

(j) PARTNERSHIPS.—The Task Force shall make recommendations with respect to initiating a partnership with the Province of Alberta, Canada, for the sharing of information relating to the development and production of oil from tar sands, and similar partnerships with other nations that contain significant oil shale resources.

(k) REPORTS.—

(1) INITIAL REPORT.—Not later than 180 days after the date of enactment of this Act, the Task Force shall, through the President, publish a report that describes the analysis and recommendations of the Task Force.

(B) SUBSEQUENT REPORTS.—The Secretary shall provide an annual report describing the progress in developing the strategic unconventional fuels resources within the United States for each of the 5 years following submission of the report provided for in subparagraph (A).

(i) OFFICE OF PETROLEUM RESERVES.—

(A) coordinate the creation and implementation of a commercial strategic fuel development program for the United States;

(B) evaluate the strategic importance of unconventional sources of strategic fuels to the security of the United States;

(C) promote and facilitate Federal Government actions that facilitate the development of strategic fuels in order to effectively address the energy supply needs of the United States;

(D) identify, assess, and recommend appropriate actions of the Federal Government required to assist in the development and manufacturing of strategic fuels; and

(E) coordinate and facilitate appropriate relationships between private industry and the Federal Government to promote sufficient and timely private investment to commercialize strategic fuels for domestic and military use.

(2) CONSULTATION AND COORDINATION.—The Office of Petroleum Reserves shall work closely with the Task Force and coordinate its staff support.

(3) ANNUAL REPORTS.—Not later than 180 days after the date of enactment of this Act and annually thereafter, the Secretary shall submit to Congress a report that describes the activities of the Office of Petroleum Reserves carried out under this subsection:

(A) MINERAL LEASING ACT AMENDMENTS.—

(i) SECTION 17.—Section 17(b)(2) of the Mineral Leasing Act (30 U.S.C. 226(b)(2)), as amended by section 206 is further amended—

(A) in subparagraph (A) (as designated by the amendment made by subsection (a)(1) of that section) by designating the first, second, and third sentences as clauses (i), (ii), and (iii), respectively;

(B) by moving clause (ii), as so designated, so as to begin immediately after and below clause (i);

(C) by moving clause (iii), as so designated, so as to begin immediately after and below clause (ii);

(ii) No lease issued under this paragraph shall be included in any chargeability limitation associated with "oil shale" located east of the Mississippi River;

(iii) No lease issued under this paragraph shall be included in any chargeability limitation associated with "shale" located east of the Mississippi River;

(B) IMPELLING REGULATIONS.—

(A) in subparagraph (A) (as designated by the amendment made by subsection (a)(1) of that section) by designating the first, second, and third sentences as clauses (i), (ii), and (iii), respectively;

(B) by adding at the end the following—

(ii) No lease issued under this section shall be included in any chargeability limitation associated with oil and gas leases.

(C) INTERAGENCY COORDINATION AND EXPEDIENCY REVIEW OF PERMUTATION PROCESS.—

(1) DEPARTMENT OF THE INTERIOR AS LEAD AGENCY.—Upon written request of a prospective applicant for Federal authorization to develop a proposed oil shale or tar sands project, the Department of the Interior shall act as the lead Federal agency for the purposes of coordinating all applicable Federal authorizations and environmental reviews. To the maximum extent practicable under applicable Federal law, the Secretary shall coordinate this Federal authorization and review process with any Indian tribes and State and local agencies responsible for conducting any separate permitting and environmental reviews.

(2) IMPLEMENTING REGULATIONS.—Not later than 6 months after the date of enactment of this Act, the Secretary shall issue any regulations necessary to implement this subsection.

(I) COST-SHARED DEMONSTRATION TECHNOLOGIES.—

(1) IDENTIFICATION.—The Secretary shall identify technologies for the development of oil shale and tar sands.

(A) are ready for demonstration at a commercially-representative scale; and

(B) have a high probability of leading to commercial production.

(2) ASSISTANCE.—For each technology identified under paragraph (1), the Secretary may provide—

(A) technical assistance;

(B) assistance in meeting environmental and regulatory requirements; and

(C) cost-sharing assistance.

(m) NATIONAL OIL SHALE AND TAR SANDS ASSESSMENT.

(1) ASSESSMENT.—

(A) IN GENERAL.—The Secretary shall carry out a national assessment of oil shale and tar sands resources for the purposes of evaluating and mapping oil shale and tar sands deposits, in the geographic areas described in subparagraph (B).

(B) IMPLEMENTATION.—The Secretary shall conduct the national assessment of oil shale and tar sands resources for the purposes of evaluating and mapping oil shale and tar sands deposits, in the geographic areas described in subparagraph (B).
shall consider the geology of the respective basin in determining the optimum size of the lands to be consolidated.


(a) PROHIBITION OF CONSIDERATION OF CHARTER.—The Secretary shall establish royalties, fees, rentals, bonuses, or other payments for leases under this section that—

(1) do not encourage development of the oil shale and tar sands resource; and

(2) ensure a fair return to the United States.

(b) HEAVY OIL TECHNICAL AND ECONOMIC ASSESSMENT.—Before the Secretary shall authorize any lease or lease renewal under this section to cover a heavy oil resource, the Secretary shall assess the 1987 technical and economic assessment of domestic heavy oil resources that was prepared by the Interstate Oil and Gas Compact Commission. Such an update should include all of North America and cover all unconventional oil, including heavy oil, tar sands (oil sands), and oil shale.

(c) RETENTION OF UNCONVENTIONAL FUELS BY THE DEPARTMENT OF DEFENSE.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after subsection 141(c) the following:

"§2398a. Procurement of fuel derived from coal, oil shale, and tar sands

"(a) USE OF FUEL TO MEET DEFENSE NEEDS.—The Secretary of Defense shall use fuel produced from coal, oil shale, or tar sands (referred to in this section as a ‘covered fuel’) that are extracted by either mining or otherwise processed in the United States in order to assist in meeting the fuel requirements of the Department of Defense when the Secretary determines that it is in the national interest.

"(b) AUTHORITY TO PROCURE.—The Secretary of Defense may enter into 1 or more contracts or other agreements (that meet the requirements of this section) to procure a covered fuel to meet all or more fuel requirements of the Department of Defense.

"(c) CLEAN FUEL REQUIREMENTS.—A covered fuel may be procured under subsection (b) only if the covered fuel meets such standards for clean fuel produced from domestic sources as the Secretary of Defense shall establish for purposes of this section in consultation with the Department of Energy.

"(d) MULTIYEAR CONTRACT AUTHORITY.—Subject to applicable provisions of law, any contract entered into pursuant to the provisions of subsection (b) may be for 1 or more years at the election of the Secretary of Defense.

"(e) FUEL SOURCE ANALYSIS.—In order to facilitate the procurement by the Department of Defense of covered fuel under subsection (b), the Secretary of Defense may carry out a comprehensive analysis of fuel sources available from current and potential locations in the United States for the supply of covered fuel to the Department:

"(2) CLERICAL AMENDMENT.—The table of sections which appears at the end of title 10, United States Code, is amended by inserting after the item relating to section 2398a the following:

"§2398a. Procurement of fuel derived from coal, oil shale, and tar sands."

(r) STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

(s) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 370. FINGER LAKES WITHDRAWAL.

All Federal land within the boundary of Finger Lakes National Forest in the State of New York shall be withdrawn:

(1) all forms of entry, appropriation, or disposition under the public land laws; and

(2) disposition under all laws relating to oil and gas leasing.

SEC. 371. RESTATEMENT OF LEASES.

(a) LEASES TERMINATED FOR CERTAIN FAILURE TO PAY RENTAL.—Notwithstanding section 31(d)(2)(B) of the Mineral Leasing Act (30 U.S.C. 188(d)(2)(B)) as in effect before the effective date of this section, and notwithstanding the amendment made by subsection (b) of this section, the Secretary shall restate any oil and gas lease issued under that Act that was terminated for failure of a lessee to pay the full amount of rental on or before the date of the anniversary during the preceding 10-year period before September 1, 2001, and on ending on June 30, 2004, if—

(1) not later than 120 days after the date of enactment of this Act, the lessee—

(A) files a petition for reinstatement of the lease; and

(B) complies with the conditions of section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(e)); and

(c) certifies that the lessee did not receive a notice of termination by the date that was 13 months before the date of termination; and

(2) the land is available for leasing.

(b) DEADLINE FOR PETITIONS, GENERALLY.—Section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(d)(2)) is amended by striking subsections (ii) and (iii) and inserting the following:

"(ii) 24 months after the termination of the lease; or

(iii) 24 months after the termination of the lease;"

"(A) with respect to any lease that terminated under subsection (b) on or before the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

"(i) 60 days after the lessee receives from the Secretary of the notice of termination, whether by return of check or by any other form of actual notice; or

(ii) 15 months after the termination of the lease; or

(B) with respect to any lease that terminates under subsection (b) after the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

"(i) 60 days after receipt of the notice of termination sent by the Secretary by certified mail to all lessees of record; or

(ii) 24 months after the termination of the lease."

(b) PROVIDE FOR COMMENCEMENT OF LEASES.

SEC. 372. CONSULTATION REGARDING ENERGY RIGHTS-OF-WAY ON PUBLIC LAND.

(a) MEMORANDUM OF UNDERSTANDING.

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary of Energy, in consultation with the Secretary of Agriculture, and the Secretary of Defense, with respect to lands under their respective jurisdictions, shall enter into a memorandum of understanding to coordinate all applicable Federal authorities and environmental reviews relating to a proposed or existing utility facility, or system

(2) CONTENTS.—The memorandum of understanding shall include provisions that—

(1) establish a unified right-of-way application form; and

(2) provide for coordination of planning relating to the granting of the rights-of-way; and

(b) PROVIDE FOR AGENCY CONSULTATION RELATING TO THE RIGHTS-OF-WAY.

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(c) PROVIDE FOR AGENCY CONSULTATION RELATING TO THE RIGHTS-OF-WAY.

(d) PROVIDE FOR AGENCY CONSULTATION RELATING TO THE RIGHTS-OF-WAY.

(e) PROVIDE FOR AGENCY CONSULTATION RELATING TO THE RIGHTS-OF-WAY.

SEC. 373. SENSE OF CONGRESS REGARDING DEVELOPMENT OF MINERALs UNDER PADRE ISLAND NATIONAL SEASHORE.

(a) FINDING.—Congress finds the following:

(1) Pursuant to Public Law 87-712 (16 U.S.C. 459d et seq.; popularly known as the ‘‘Federal Enabling Act’’) and various deeds and actions under that Act, the United States is the owner of only the surface estate of certain lands constituting the Padre Island National Seashore.

(2) Ownership of the oil, gas, and other minerals in the subsurface estate of the lands constituting the Padre Island National Seashore was never acquired by the United States, and ownership of those interests is held by the State of Texas and their private parties.

(3) Public Law 87-712 (16 U.S.C. 459d et seq.)—

(A) expressly contemplated that the United States would recognize the ownership and future development of the oil, gas, and other minerals in the subsurface estate of the lands constituting the Padre Island National Seashore by the owners and their mineral lessees; and

(B) recognized that approval of the State of Texas was required to create Padre Island National Seashore.

coverable oil and gas resources are present.

The Secretary of the Interior shall immediately publish a report of the findings of such resource assessment and determinations, and shall publish a notice in the Federal Register explaining why a decision cannot be issued at that time.

Not later than the end of 60 days after the date of publication of a Federal Register notice stating when the decision record for an appeal has been closed, the Secretary shall issue a decision or publish a notice in the Federal Register explaining why a decision cannot be issued within the 60-day period, the Secretary shall issue a decision."

Subtitle G—Miscellaneous

SEC. 383. ROYALTY PAYMENTS UNDER LEASES UNDER THE OUTER CONTINENTAL SHELF LANDS ACT.

(a) Royalty Relief—

(1) In general.—For purposes of providing compensation to the State for which amounts are authorized by section 6004(c) of the Oil Pollution Act of 1990 (Public Law 101-380), a lessee may withdraw from payment any royalty due to the State under that Act, if, on or before the date that the payment is due and payable to the United States, the lessee makes a payment to the State of 4 cents for every $1 of royalty withheld.

(2) Treatment of withheld amounts.—Any royalty withheld by a lessee in accordance with this section (including any portion thereof that is paid to the State under paragraph (1)) shall be treated as part of the obligations of the lessee to the United States.

(b) Certification of withheld amounts—The Secretary of the Treasury shall—

(A) determine the amount of royalty withheld by a lessee under this section; and

(B) provide for certification when the total amount of royalty withheld by the lessee under this section is equal to—

(i) the dollar amount stated at page 47 of Senate Report number 101-334, which is designated therein as the total drainage claim for the West Delta field; plus

(ii) interest as described at page 47 of that Report.

(c) Period of Royalty Relief—Subsection (a) shall apply to royalty amounts that are due and payable in the period beginning on October 1, 2006, and ending on the date on which the Secretary of the Treasury publishes a certification under subsection (a)(3)(B).

(c) Exclusions—As used in this section:

(1) COVERED LEASE TRACT.—The term ‘covered lease tract’ means a lease tract (or portion of a lease tract)—

(A) lying within the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)); or

(B) lying within such zone but to which such section does not apply.

(2) LESSEE.—The term ‘lessee’—

(A) means a person or entity that, on the date of the enactment of the Oil Pollution Act of 1990, was a lessee referred to in section 6004(c) of that Act (as in effect on that date of the enactment), but did not hold lease rights in Federal offshore lease OCS–G–5689; and

(B) includes successors and affiliates of a person or entity described in subparagraph (A).

Section 311 of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a) is amended to read as follows:

SEC. 31. COASTAL IMPACT ASSISTANCE PROGRAM.

(a) Definitions.—In this section:

(1) COASTAL POLITICAL SUBDIVISION.—The term ‘coastal political subdivision’ means a political subdivision of a State or political subdivision of any part of which political subdivision is—

(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)); or

(B) within the coastal population, as determined by the most recent official data of the Department of Commerce, in any part of the coastal boundary of a State (as defined in a State’s coastal zone management program under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.)).

(2) COASTAL POPULATION.—The term ‘coastal population’ means the population, as determined by the most recent official data of the Department of Commerce, in any part of the coastal boundary of a State (as defined in a State’s coastal zone management program under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.)).

(3) COASTAL SHELF.—The term ‘coastal shelf’ has the meaning given in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453).

(4) COASTLINE.—The term ‘coastline’ has the meaning given the term ‘coast line’ in section 2 of the Submerged Lands Act (43 U.S.C. 1356).

(5) DISTANCE.—The term ‘distance’ means the minimum great circle distance, measured in statute miles.

(6) LEASED TRACT.—The term ‘leased tract’ means a tract that is subject to a lease under section 6 or 8 for the purpose of drilling for, developing, and producing oil and natural gas resources.

(7) LEASING Moratoria.—The term ‘leasing moratoria’ means the prohibitions on preleasing, leasing, and related activities on any geographic area of the outer Continental Shelf as contained in sections 107 through 109 of division E of the Consolidated Appropriations Act, 2005 (Public Law 108–447, 118 Stat. 3663).

(8) POLITICAL SUBDIVISION.—The term ‘political subdivision’ means the local political jurisdiction immediately below the level of State government, including counties, parishes, and boroughs.

(9) Producing State.—

(A) IN GENERAL.—The term ‘producing State’ means a State that has a coastal sea- shelf within the geographic boundary of a leased tract within any area of the outer Continental Shelf.

(B) EXCLUSION.—The term ‘producing State’ does not include a per cent majority of the coastline of which is subject to leasing moratoria, unless production was occurring on

(a) Definitions.—In this section:

(1) COVERED LEASE TRACT.—The term ‘covered lease tract’ means a lease tract (or portion of a lease tract)—

(A) lying within the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)); or

(B) lying within such zone but to which such section does not apply.

(2) LESSEE.—The term ‘lessee’—

(A) means a person or entity that, on the date of the enactment of the Oil Pollution Act of 1990, was a lessee referred to in section 6004(c) of that Act (as in effect on that date of the enactment), but did not hold lease rights in Federal offshore lease OCS–G–5689; and

(B) includes successors and affiliates of a person or entity described in subparagraph (A).
(B) FORMULA.—Of the amount paid by the Secretary to coastal political subdivisions under subparagraph (A) —

(i) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(I) the coastal population of the coastal political subdivision; bears to

(II) the geometric center of all coastal political subdivisions in the producing State;

(ii) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(i) the number of miles of coastline of the coastal political subdivision; bears to

(ii) the geometric center of all coastal political subdivisions in the producing State;

(iii) 50 percent shall be allocated in amounts that are inversely proportional to the respective distances between the points in each coastal political subdivision that are closest to the geographic center of each leased tract, as determined by the Secretary.

(C) EXCEPTION FOR THE STATE OF LOUISIANA.—For the purposes of subparagraph (B)(ii), the coastline for purposes of this section to the producing State will be the length of the coastline of all coastal political subdivisions with a coastline in the State of Louisiana.

(D) EXCEPTION FOR THE STATE OF ALASKA.—For the purposes of carrying out subparagraph (B)(ii), the amount allocated to each coastal political subdivision that are closest to the geographic center of a leased tract.

(E) EXCLUSION OF CERTAIN LEASED TRACTS. For purposes of subparagraph (B)(iii), a leased tract or portion of a leased tract shall be excluded if the tract or portion of a leased tract is located in a geographic area subject to a leasing moratorium on January 1, 2005, unless the lease was in production on that date.

(3) NO APPROVAL PLAN.—

(A) IN GENERAL.—Subject to subparagraph (B) and except as provided in subparagraph (C), in a case in which any amount allocated to a producing State or coastal political subdivision is not disbursed by the Secretary because the producing State does not have in effect a plan that has been approved by the Secretary under subsection (c), the Secretary shall allocate the amount equally among all other producing States.

(B) RETENTION OF ALLOCATION.—The Secretary shall hold in escrow an undisbursed amount allocated to a producing State or coastal political subdivision until such time as all amounts obligated for unexpended amounts for which the Secretary determines that the plan is not consistent with subsection (b).

(C) COASTAL IMPACT ASSISTANCE PLAN.—

(A) IN GENERAL.—Not later than July 1, 2008, the Governor of a producing State shall submit to the Secretary a coastal impact assistance plan.

(B) PUBLIC PARTICIPATION.—In carrying out subparagraph (A), the Governor shall solicit local input and provide for public participation in the development of the plan.

(2) APPROVAL.—

(A) IN GENERAL.—The Secretary shall approve a plan submitted under paragraph (1) if—

(i) the Secretary determines that the plan is consistent with the uses described in subsection (d); and

(ii) the plan contains—

(aa) a proposal for an outer Continental Sea political subdivision that receives an amount under this section—

(bb) the name of a contact person; and

(cc) a description of how the amount provided under this section to the producing State will be used.

(B) COMPONENTS.—The Secretary shall approve a plan submitted under paragraph (1) if—

(i) the plan for each coastal political subdivision includes measures that will be taken to determine the availability of assistance from other relevant Federal programs and projects.

(C) AMENDMENT.—Any amendment to a plan submitted under paragraph (1) shall be—

(A) developed in accordance with this subsection; and

(B) submitted to the Secretary for approval or disapproval under paragraph (4).

(D) PROCEDURE.—Not later than 90 days after the producing State submits a plan to the Secretary for approval or disapproval, the Secretary shall—

(A) determine whether the plan submitted meets the requirements of the United States.

(B) Mitigation of damage to fish, wildlife, or natural resources.

(C) Planning assistance and the administrative costs of complying with this section.

(D) Implementation of a federally-approved management plan, or comprehensive conservation management plan.

(E) Mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs.

(3) COMPLIANCE WITH AUTHORIZED USES.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amount under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or re obrigated for authorized uses.

(a) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland.

(b) Mitigation of damage to fish, wildlife, or natural resources.

(c) Planning assistance and the administrative costs of complying with this section.

(d) Implementation of a federally-approved management plan, or comprehensive conservation management plan.

(e) Mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs.

(2) COMPLIANCE WITH AUTHORIZED USES.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amount under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or re obligated for authorized uses.

(a) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland.

(b) Mitigation of damage to fish, wildlife, or natural resources.

(c) Planning assistance and the administrative costs of complying with this section.

(d) Implementation of a federally-approved management plan, or comprehensive conservation management plan.

(e) Mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs.

SEC. 385. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers to meet the energy and mineral security requirements of the United States.

(b) INCLUSIONS.—The study shall include an analysis of—

(1) the need for and availability of workers for the oil, gas, and mineral industries;
SEC. 385. NEPA REVIEW.

—Title V of the Oil Pollution Act of 1990 (33 U.S.C. 2731 et seq.) is amended—

(a) PAYMENTS AND REVENUES.—(A) The Secretary of the Interior, in consultation with the Secretary of Defense, the Secretary of Commerce, heads of other relevant departments and agencies of the Federal Government, and the Governor of any affected State, shall establish an interagency comprehensive digital mapping initiative for the outer Continental Shelf to assist in decisionmaking relating to the siting of activities under subsection (p) of section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) (as added by subsection (a)).

(b) SECURITY. —Nothing in this section shall authorize the Secretary to modify any claim of any State to any jurisdiction over, or any right, title, or interest in, any submerged lands.

SEC. 386. NEPA REVIEW.

—(a) NEPA REVIEW. —After the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a report that describes the results of the study.

(b) COMPETITIVE OR NONCOMPETITIVE BASIS.—Except with respect to projects that meet the criteria established under section 388(d) of the Energy Policy Act of 2005, the Secretary shall issue a lease, easement, or right-of-way under paragraph (1) on a competitive basis unless the Secretary determines that a lease, easement, or right-of-way for an area of the outer Continental Shelf would be granted in an area in which oil and gas preleasing, leasing, and related activities are prohibited by a moratorium.

(c) PAYMENTS AND REVENUES.—The Secretary shall require that a lease, easement, or right-of-way shall not be granted in an area in which oil and gas preleasing, leasing, and related activities are prohibited by a moratorium.

(d) EFFECT OF SUBSECTION.—Nothing in this subsection displaces, supersedes, limits, or modifies the jurisdiction, responsibility, or authority of any Federal or State agency under any other Federal law.

(e) APPLICABILITY.—This subsection does not apply to any area on the outer Continental Shelf within the exclusive economic zone of any unit of the National Park System, National Wildlife Refuge System, or National Marine Sanctuary System, or any National Monument.

SEC. 387. FEDERAL COALBED METHANE REGULATION.

Any State currently on the list of Affected States established under section 1339(b) of the Energy Policy Act of 1992 (42 U.S.C. 1336(b)) shall be removed from the list if, not later than 3 years after the date of enactment of this Act, the State takes, or prior to the date of enactment has taken, any of the actions required for removal from the list under such section 1339(b).

SEC. 388. ALTERNATE ENERGY-RELATED USES ON THE OUTER CONTINENTAL SHELF.

(a) AMENDMENT TO OUTER CONTINENTAL SHELF LANDS ACT.—Section 8 of the Outer Continental Shelf Lands Act (41 U.S.C. 1337) is amended—

(b) USE OF DATA.—The Secretary shall use, and develop procedures for accessing, data collected before the date on which the mapping initiative is established, to the maximum extent practicable.

(c) INCLUSIONS.—Mapping carried out under the mapping initiative shall include an indication of the locations on the outer Continental Shelf.

(d) SAVINGS PROVISION.—Nothing in the amendment made by subsection (a) requires the Secretary to reauthorize any one already submitted or the reauthorization of any action that was previously authorized with respect to a project for which, before the date of enactment of this Act—

(1) an offshore test facility has been constructed;

(2) a request for a proposal has been issued by a public authority;

(3) a State claims to jurisdiction over submerged lands;—Nothing in this section shall affect or modify any claim of any State to any jurisdiction over, or any right, title, or interest in, any submerged lands.

SEC. 389. OIL SPILL RECOVERY INSTITUTE.

—Title V of the Oil Pollution Act of 1990 (33 U.S.C. 2731 et seq.) is amended—

(a) NEPA REVIEW. —After the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a report that describes the results of the study.

(b) COMPETITIVE OR NONCOMPETITIVE BASIS.—Except with respect to projects that meet the criteria established under section 388(d) of the Energy Policy Act of 2005, the Secretary shall issue a lease, easement, or right-of-way under paragraph (1) on a competitive basis unless the Secretary determines that a lease, easement, or right-of-way for an area of the outer Continental Shelf would be granted in an area in which oil and gas preleasing, leasing, and related activities are prohibited by a moratorium.

(c) PAYMENTS AND REVENUES.—(A) The Secretary shall provide for the payment of all revenues received by the Federal Government as a result of payments under this section from projects that are located wholly or partially within the area extending three nautical miles seaward of State submerged lands. Payments shall be made based on a formula established by the Secretary by rulemaking not later than 180 days after the date of enactment. The formula provides for equitable distribution, based on proximity to the project, among coastal states that have a coastline that is located within 15 miles of the geographic center of the area.

(d) EFFECT OF SUBSECTION.—Nothing in this subsection displaces, supersedes, limits, or modifies the jurisdiction, responsibility, or authority of any Federal or State agency under any other Federal law.

(e) APPLICABILITY.—This subsection does not apply to any area on the outer Continental Shelf within the exclusive economic zone of any unit of the National Park System, National Wildlife Refuge System, or National Marine Sanctuary System, or any National Monument.

(f) INTERAGENCY COOPERATION INITIATIVE. —(1) IN GENERAL.—The Secretary of the Interior, in cooperation with the Secretary of Commerce, the Commandant of the Coast Guard, the Secretary of Defense, the Secretary of Energy, and any other relevant Federal agency, shall establish an interagency comprehensive digital mapping initiative for the outer Continental Shelf to assist in decisionmaking relating to the siting of activities under subsection (p) of section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) (as added by subsection (a)).

(2) OBJECTIVE OF DATA.—The mapping initiative shall use, and develop procedures for accessing, data collected before the date on which the mapping initiative is established, to the maximum extent practicable.

(3) INCLUSIONS.—Mapping carried out under the mapping initiative shall include an indication of the locations on the outer Continental Shelf.
document was approved within five (5) years prior to the date of spudding the well.

(4) Placement of a pipeline in an approved right-of-way corridor, so long as the corridor was approved within five (5) years prior to the date of placement of the pipeline.

(5) Maintenance of a minor activity, other than any construction or major renovation or a building or facility.

Subtitle II—Refinery Revitalization

SEC. 401. FINDINGS AND DEFINITIONS.

(a) FINDINGS—Congress finds that—

(1) it serves the national interest to increase petroleum refinery capacity for gasoline, heating oil, diesel fuel, jet fuel, kerosene, and petrochemical feedstocks wherever located within the United States, to bring more supply to the markets for American people;

(2) United States demand for refined petroleum products currently exceeds the country's petroleum refining capacity to produce such products;

(3) this excess demand has been met with increased imports;

(4) due to lack of capacity, refined petroleum product imports are expected to grow from 7.9 percent to 10.7 percent of total refined product by 2025;

(5) refiners are still subject to significant environmental regulations and face several new requirements under the Clean Air Act (42 U.S.C. 7401 et seq.) over the next decade; and

(6) better coordination of Federal and State regulatory reviews may help facilitate siting and construction of new refineries to meet the demand in the United States for refined products.

(b) DEFINITIONS—In this subtitle:

(1) ADMINISTRATOR—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) STATE—The term "State" means—

(A) a State;

(B) the Commonwealth of Puerto Rico; and

(C) any other territory or possession of the United States.

SEC. 402. FEDERAL-STATE REGULATORY COORDINATION AND ASSISTANCE.

(a) IN GENERAL—At the request of the Governor of a State, the Administrator may enter into a refinery permitting cooperative agreement with the State, under which each party to the agreement identifies steps, including timelines, that it will take to streamline the consideration of Federal and State environmental permits for a new refinery.

(b) AUTHORITY UNDER AGREEMENT.—The Administrator shall be authorized to—

(1) enter into a consolidated application for all permits required from the Environmental Protection Agency, to the extent consistent with other applicable law;

(2) enter into memorandum of agreement with other Federal agencies to coordinate consideration of refinery applications and permits among Federal agencies; and

(3) enter into a memorandum of agreement with a State, under which Federal and State review of refinery permit applications will be coordinated and concurrently considered, to the extent practicable.

(c) STATE ASSISTANCE.—The Administrator is authorized to provide financial assistance to State governments to facilitate the hiring of additional personnel with expertise in fields relevant to consideration of refinery permits.

(d) OTHER ASSISTANCE.—The Administrator is authorized to provide technical, legal, or other assistance to State governments to facilitate their review of applications to build new refineries.

TITLE IV—COAL

Subtitle A—Clean Coal Power Initiative

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) CLEAN COAL POWER INITIATIVE—There are authorized to be appropriated to the Secretary to carry out the activities authorized by this subtitle $200,000,000 for each of fiscal years 2006 through 2014, to remain available until expended.

(b) REPORT.—The Secretary shall submit to Congress a report required by this subsection not later than March 31, 2007. The report shall include, with respect to subsection (a), a plan containing—

(1) a detailed assessment of whether the aggregate funding levels provided under subsection (a) are the appropriate funding levels for that program;

(2) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken;

(3) a detailed list of technical milestones for each coal and related technology that will be pursued; and

(4) a detailed description of how the program will avoid problems enumerated in Government Accountability Office reports on the Clean Coal Technology Program, including problems that have resulted in unspent funds and projects that failed either financially or scientifically.

SEC. 402. PROJECT CRITERIA.

(a) IN GENERAL.—To be eligible to receive assistance under this subtitle, a project shall advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in commercial service or have been demonstrated on a scale that the Secretary determines is sufficient to demonstrate that commercial service is viable as of the date of enactment of this Act.

(b) TECHNICAL CRITERIA FOR CLEAN COAL POWER INITIATIVE.

(1) GASSIFICATION PROJECTS.—

(A) IN GENERAL.—In allocating the funds made available under section 401(a), the Secretary shall ensure that at least 70 percent of the funds are used only to fund projects on coal-based gassification technologies, including—

(i) gassification combined cycle;

(ii) gassification fuel cells and turbine combined cycle;

(iii) gassification coproduction;

(iv) hybrid gassification and combustion; and

(v) other advanced coal based technologies capable of producing a concentrated stream of carbon dioxide.

(B) TECHNICAL MILESTONES.—

(I) PERIODIC DETERMINATION.—In determining whether a project meets the eligibility and priority criteria described in paragraphs (1)(B)(ii)(IV), (2)(B)(ii)(IV), and (4), the Secretary shall establish the technical milestones so as to achieve by the year 2020 coal gasification projects able—

(i) to remove at least 97 percent of sulfur dioxide;

(ii) to emit no more than 1.0 lbs of NOx, per million Btu;

(iii) to achieve at least 85 percent reductions in mercury emissions; and

(iv) to achieve a thermal efficiency of at least—

(aa) 43 percent for coal of more than 9,000 Btu;

(bb) 41 percent for coal of 7,000 to 9,000 Btu; and

(cc) 39 percent for coal of less than 7,000 Btu.

(II) PRESCRIPTIVE MILESTONES.

(I) PERIODIC DETERMINATION.—The Secretary shall periodically set technical milestones specifying the emission and thermal efficiency levels that coal gasification projects under this subtitle shall be designed, and weighed, to achieve.

(ii) PREScriptive MILESTONES.—The Secretary shall more prescriptive during the period of the clean coal power initiative.

(iii) 2020 GOAL.—The Secretary shall establish the periodic milestones so as to achieve by the year 2020 coal gasification projects able—

(I) to remove at least 97 percent of sulfur dioxide;

(ii) to emit no more than 0.5 lbs of NOx, per million Btu;

(iii) to achieve at least 95 percent reductions in mercury emissions; and

(iv) to achieve a thermal efficiency of at least—

(aa) 50 percent for coal of more than 9,000 Btu;

(bb) 48 percent for coal of 7,000 to 9,000 Btu; and

(cc) 46 percent for coal of less than 7,000 Btu.

(2) OTHER PROJECTS.—

(A) ALLOCATION OF FUNDS.—The Secretary shall ensure that up to 30 percent of the funds made available under section 401(a) are used to fund projects other than those described in paragraph (1).

(B) TECHNICAL MILESTONES.—

(I) PERIODIC DETERMINATION.—The Secretary shall periodically establish technical milestones specifying the emission and thermal efficiency levels that projects funded under this paragraph shall be designed, and reasonably expected, to achieve.

(ii) PREScriptive MILESTONES.—The technical milestones shall become more prescriptive during the period of the clean coal power initiative.

(iii) 2020 GOAL.—The Secretary shall set the periodic milestones so as to achieve by the year 2020 projects able—

(I) to remove at least 97 percent of sulfur dioxide;

(ii) to emit no more than 0.8 lbs of NOx, per million Btu;

(iii) to achieve at least 90 percent reductions in mercury emissions; and

(iv) to achieve a thermal efficiency of at least—

(aa) 43 percent for coal of more than 9,000 Btu;

(bb) 41 percent for coal of 7,000 to 9,000 Btu; and

(cc) 39 percent for coal of less than 7,000 Btu.

(3) CONSULTATION.—Before setting the technical requirements for projects that separate and capture at least 50 percent of the potential emissions of carbon dioxide by a facility, the energy used for separation and capture of carbon dioxide shall not be counted for determining the thermal efficiency.

(4) PERMITTED USES.—In carrying out this section, the Secretary may give priority to projects that include, as part of the project—

(i) the separation or capture of carbon dioxide; or

(ii) the reduction of the demand for natural gas if deployed.

(5) FINANCIAL CRITERIA.—The Secretary shall not provide financial assistance under this subtitle for a project unless the recipient documents to the satisfaction of the Secretary that—

(1) the recipient is financially responsible;

(2) the recipient will provide sufficient information to the Secretary to enable the Secretary to determine that the funds are spent efficiently and effectively; and

(3) a market exists for the technology being demonstrated or applied, as evidenced by statements of interest in using products by potential purchasers of the technology.

(d) FINANCIAL ASSISTANCE.—The Secretary shall provide financial assistance to projects that meet at least the following requirements determined by the Secretary:

(1) meet the requirements of subsections (a), (b), and (c); and
(2) are likely—
(A) to achieve overall cost reductions in the use of coal to generate useful forms of energy or chemical feedstocks;
(B) to improve the competitiveness of coal among various forms of energy in order to maintain a diversity of fuel choices in the United States to meet electricity generation requirements; and
(C) to demonstrate methods and equipment that are applicable to 25 percent of the electricity generating facilities, using various types of coal, that are the subject of the primary feedstock as of the date of enactment of this Act.
(e) Cost-Sharing.—In carrying out this subtitle, the Secretary shall require cost sharing in accordance with section 98B.
(f) Scheduled Completion of Selected Projects.—
(1) In general.—In selecting a project for financial assistance under this section, the Secretary shall establish a reasonable period of time during which the owner or operator of the project shall complete the construction or demonstration phase of the project, as the Secretary determines to be appropriate.
(2) Condition of Financial Assistance.—The Secretary shall require as a condition of receipt of any assistance under this subtitle that the recipient of the assistance enter into an agreement with the Secretary not to request an extension of the time period established for the project under paragraph (1).
(3) Extension of Time Period.—
(A) In general.—Subject to subparagraph (B), the Secretary may extend the time period established under paragraph (1) if the Secretary determines, in the sole discretion of the Secretary, that the owner or operator of the project cannot complete the construction or demonstration phase of the project within the time period due to circumstances beyond the control of the owner or operator.
(B) Limitation.—The Secretary shall not extend the time period under subparagraph (A) by more than 4 years.
(g) Fee Title.—The Secretary may cede fee title or other property interests acquired under cost-share clean coal power initiative agreements under this subtitle in any entity, including the United States.
(h) Data Protection.—For a period not exceeding 5 years after completion of the operations phase of a cooperative agreement, the Secretary may provide appropriate protections (including provisions of chapter 9 of title 5, United States Code) against the dissemination of information that—
(1) results from demonstration activities carried out under the clean coal power initiative agreements;
(2) would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from and first produced by a non-Federal party participating in a clean coal power initiative project.
(i) Applicability.—No technology, or level of emission reduction, solely by reason of the use of the technology, or the achievement of the emission reduction, by 1 or more facilities receiving assistance under this Act, shall be considered to be—
(1) adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411);
(2) eligible for purposes of section 169 of that Act (42 U.S.C. 7479); or
(3) achievable in practice for purposes of section 111 of that Act (42 U.S.C. 7511).
SEC. 403. REPORT.
(a) Not later than 3 years after the promulgation of this Act, and once every 2 years thereafter through 2014, the Secretary, in consultation with other appropriate Federal agencies, shall report to Congress a report describing—
(1) the technical milestones set forth in section 402 and how those milestones ensure progress to—
(2) work towards the requirements of subsections (b)(1)(B) and (b)(2) of section 402; and
(3) the status of projects funded under this subtitle.
SEC. 404. CLEAN COAL CENTERS OF EXCELLENCE.
(a) In general.—As part of the clean coal power initiative, the Secretary shall award competitive, merit-based grants to institutions of higher education that show the greatest potential for advancing new clean coal technologies.
(b) BASE FOR GRANTS.—The Secretary shall award grants under this section to institutions of higher education that show the greatest potential for advancing new clean coal technologies.
Subtitle B—Clean Power Projects
SEC. 411. INTEGRATED COAL/RENEWABLE ENERGY SYSTEM.
(a) In general.—Subject to the availability of appropriations, the Secretary may provide loan guarantees for a project to produce energy from coal of less than 7,000 Btu/lb using appropriate advanced integrated gasification combined cycle technology, including reprocessing of existing facilities, that—
(1) is combined with wind and other renewable sources;
(2) minimizes and offers the potential to sequester carbon dioxide emissions; and
(3) provides a ready source of hydrogen for near- and future energy applications.
(b) REQUIREMENTS.—The facility—
(1) may be located in the Upper Great Plains.
(2) shall have a combined output of at least 200 megawatts at successively more competitive rates; and
(3) shall be located in the Upper Great Plains.
(c) Technical Criteria.—Technical criteria described in section 402(b) shall apply to the facility.
(d) Investment Tax Credits.—
(1) In general.—The loan guarantees provided under this section do not preclude the facility from receiving an allocation for investment tax credits under section 46A of the Internal Revenue Code of 1986.
(2) Other Funding.—Use of the investment tax credit described in paragraph (1) does not prohibit the use of other clean coal program funding.
SEC. 412. LOAN TO PLACE ALASKA CLEAN COAL TECHNOLOGY FACILITY IN SERVICE.
(a) Definition of loan.—
(1) BORROWER.—The term “borrower” means the owner of the clean coal technology plant.
(2) TECHNOLOGY PLAN.—The term “clean coal technology plan” means the plan located near Healy, Alaska, constructed under Department cooperative agreement number DE-FC-21-95PC90544.
(b) Costs of a direct loan.—
(1) MAXIMUM LOAN AMOUNT.—The amount of the direct loan provided under subsection (b) shall not exceed $80,000,000.
(2) DETERMINATIONS BY SECRETARY.—Before providing the direct loan to the borrower under subsection (b), the Secretary shall determine that—
(A) the plan of the borrower for placing the clean coal technology plant into reliable operation has a reasonable prospect of success;
(B) the amount of the loan (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project; and
(C) there is a reasonable prospect that the borrower will repay the principal and interest on the loan.
(a) Interest.—The direct loan provided under subsection (b) shall bear interest at a rate and for a term that the Secretary determines appropriate, after consultation with the Secretary of the Treasury, taking into account the needs and capacities of the borrower and the prevailing rate of interest for similar loans made by public and private lenders.
(b) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to provide the cost of a direct loan under subsection (b).
SEC. 413. WESTERN INTEGRATED COAL GASIFICATION DEMONSTRATION PROJECT.
(a) In general.—Subject to the availability of appropriations, the Secretary shall carry out a project to demonstrate production of energy from coal mined in the western United States using integrated gasification combined cycle technology (referred to in this section as the “demonstration project”).
(b) Components.—The demonstration project—
(1) may include reprocessing of existing facilities; and
(2) shall be designed to demonstrate the ability to use coal with an energy content of not more than 9,000 Btu/lb; and
(3) shall be capable of removing and sequestering carbon dioxide emissions.
(c) All types of WESTERN COALS.—Notwithstanding the foregoing, and to the extent economically feasible, the project shall also be designed to demonstrate the ability to use a variety of types of coal (including subbituminous and bituminous coal with an energy content of up to 13,000 Btu/lb) mined in the western United States.
(d) Location.—The demonstration project shall be located in a western State at an altitude of greater than 4,000 feet above sea level.
(e) Cost Sharing.—The Federal share of the cost of the demonstration project shall be determined in accordance with section 908.
(f) Guarantee.—In determining the standards set forth in subsection XIV, the demonstration project shall not be eligible for Federal loan guarantees.
SEC. 414. COAL GASIFICATION.
The Secretary is authorized to provide loan guarantees for a project to produce energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 415. PETROLEUM COKE GASIFICATION.
The Secretary is authorized to provide loan guarantees for at least 5 petroleum coke gasification projects.
SEC. 416. ELECTRON SCRUBBING DEMONSTRATION.
The Secretary shall use $5,000,000 from amounts appropriated to initiate, through the Chicago Operations Office, a project to demonstrate the viability of electron scrubbing technology on commercial-scale electrical generation using high-sulfur coal.
SEC. 417. DEPARTMENT OF ENERGY TRANSPORTATION FUELS FROM ILLINOIS BASIN COAL.
(a) In general.—The Secretary shall carry out a program to evaluate the commercial and technical viability of advanced technologies for the production of Fischer-Tropsch transportation fuels, and other transportation fuels,
manufactured from Illinois basin coal, including the capital modification of existing facilities and the construction of testing facilities under subsection (b).

(2) CLIMATE CHANGE.—For the purpose of evaluating the commercial and technical viability of different processes for producing Fischer-Tropsch transportation fuels, and other transportation fuels, from Illinois basin coal, the Secretary shall support the use and capital modification of existing facilities and the construction of new facilities at—

(1) Southern Illinois University Coal Research Center;
(2) University of Kentucky Center for Applied Energy Research;
(3) Energy Center at Purdue University.

(c) GASIFICATION PRODUCTS TEST CENTER.—In conjunction with the activities described in subsection (b), the Secretary shall construct a test center to evaluate and confirm liquid and gas products from syngas catalysis in order that the system has an output of at least 500 gallons of Fischer-Tropsch transportation fuel per day in a 24-hour operation.

(2) AGREEMENTS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall enter into agreements—

(A) to carry out the activities described in this section, at the facilities described in subsection (b); and

(B) for the capital modifications or construction of the facilities at the locations described in subsection (b).

(3) AUXILIARY ACTIVITIES.—Not later than 3 years after the date of enactment of this Act, the Secretary shall begin, at the facilities described in subsection (b), evaluation of the technical and commercial viability of different processes of producing Fischer-Tropsch transportation fuels, and other transportation fuels, from Illinois basin coal.

(4) CONSTRUCTION OF FACILITIES.—

(A) IN GENERAL.—The Secretary shall construct the facilities described in subsection (b) at the locations described in paragraph (1).

(B) GRANTS OR AGREEMENTS.—The Secretary may make grants or enter into agreements or contracts with the institutions of higher education described in subsection (b) in accordance with section 986.

(c) COST SHARING.—The cost of making grants under this section shall be shared in accordance with section 986.

(3) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section $85,000,000 for each of fiscal years 2006 through 2010.

Subtitle C—Coal and Related Programs


(a) AMENDMENT.—The Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.) is amended by adding at the end the following:

"TITLE XXXI—CLEAN AIR COAL PROGRAM

SEC. 3101. PURPOSES.

The purposes of this title are to—

(1) promote national energy policy and energy security, diversity, and economic competitiveness benefits that result from the increased use of coal;

(2) mitigate financial risks, reduce the cost of clean coal generation, and increase the marketplace acceptance of clean coal generation and pollution control equipment and processes; and

(3) facilitate the environmental performance of electric generating equipment.

SEC. 3102. AUTHORIZATION OF PROGRAM.

(1) In general.—The Secretary shall carry out a program of financial assistance to—

(1) facilitate the production and generation of coal-based power, through the deployment of clean coal electric generating equipment and processes that, compared to equipment or processes that are in operation on a full-scale—

(A) improve—

(i) energy efficiency; or

(ii) environmental performance consistent with relevant Federal and State clean air requirements, including those promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.); and

(B) are not yet cost competitive; and

(2) facilitate the utilization of existing coal-based electricity generation plants through projects that—

(A) deploy advanced air pollution control equipment and process that are new or significantly improved; and

(B) are designed to voluntarily enhance environmental performance above current applicable obligations under the Clean Air Act and State implementation efforts pursuant to such Act.

(b) FINANCIAL CRITERIA.—As determined by the Secretary for a particular project, financial assistance under this title shall be in the form of—

(1) cost-sharing of an appropriate percentage of the total project cost, not to exceed 50 percent as calculated under section 986 of the Energy Policy Act of 2005; or

(2) financial assistance, including grants, cooperative agreements, or loans as authorized under this Act or other statutory authority of the Secretary.

SEC. 3102. GENERATION PROJECTS.

(a) ELIGIBLE PROJECTS.—Projects supported under section 3102(a)(1) may include—

(1) equipment or processes purposefully supported by a Department of Energy program;

(2) advanced combustion equipment and processes that the Secretary determines will be cost-effective and could substantially contribute to meeting environmental or energy needs, including gasification, gasification fuel cells, gasification—combustion—oxidation combustion techniques, ultra-supercritical boilers, and chemical looping; and

(3) hybrid gasification/combustion systems, including systems integrating fuel cells with gasification or combustion units.

(b) CRITERIA.—The Secretary shall establish criteria for the selection of generation projects under section 3102(a)(1). The Secretary may modify the criteria as appropriate to reflect improvements in equipment, except that the criteria shall not be modified to be less stringent. The selection of projects shall include—

(1) prioritization of projects whose installation is likely to result in significant air quality improvements in nonattainment air quality areas;

(2) prioritization of projects whose installation is likely to result in lower emission rates of pollution;

(3) prioritization of projects that result in the repowering or replacement of older, less efficient units;

(4) documented broad interest in the procurement of, or the establishment of, processes used in the projects by owners or operators of facilities for electricity generation;

(5) equipment and processes beginning in 2006 through 2011 that are projected to achieve a thermal efficiency of—

(A) 45 percent for coal of more than 9,000 Btu per pound based on higher heating values;

(B) 44 percent for coal of 7,000 to 9,000 Btu per pound passed on higher heating values; and

(C) 40 percent for coal of less than 7,000 Btu per pound passed on higher heating values; except that energy used for coproduction or co-generation shall not be counted in calculating the thermal efficiency under this subparagraph; and

(6) equipment and processes beginning in 2012 and 2013 that are projected to achieve a thermal efficiency of—

(1) utilization of equipment and processes that exceed relevant Federal and State clean air requirements applicable to the unit or facility, including being adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411), achievable for a project of section 3102(a)(1) of this Act (42 U.S.C. 7479), or achievable in practice for purposes of section 171 of that Act (42 U.S.C. 7501) solely by reason of the use of such technology, or to the extent such emission reduction, by 1 or more facilities receiving assistance under section 3102(a)(1).

SEC. 3104. AIR QUALITY ENHANCEMENT PROGRAM.

(a) ELIGIBLE PROJECTS.—Projects supported under section 3102(a)(2) shall—

(1) utilize technologies that meet relevant Federal and State clean air requirements applicable to the unit or facility, including being adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411), achievable for a project of section 3102(a)(1) of this Act (42 U.S.C. 7479), or achievable in practice for purposes of section 171 of that Act (42 U.S.C. 7501) solely by reason of the use of such technology, or to the extent such emission reduction, by 1 or more facilities receiving assistance under section 3102(a)(1).

(b) CRITERIA.—In making an award under section 3102(a)(2), the Secretary shall give priority to—

(1) projects whose installation is likely to result in significant air quality improvements in nonattainment air quality areas or substantially reduce the emission level of criteria pollutants and mercury air emissions; and

(2) projects for pollution control that result in the mitigation or collection of more than 1 pollutant; and

(3) projects designed to allow the use of the waste byproducts or other byproducts of the equipment.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out section 3102(a)(2)($)

(1) $200,000,000 for fiscal year 2007;

(2) $300,000,000 for fiscal year 2008;

(3) $400,000,000 for each of fiscal years 2009 through 2012; and

(4) $600,000,000 for fiscal year 2013.

(d) APPLICABILITY.—(1) Technology or level of emission reduction shall be treated as adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411), achievable for a project of section 3102(a)(1) of this Act (42 U.S.C. 7479), or achievable in practice for purposes of section 171 of that Act (42 U.S.C. 7501) solely by reason of the use of such technology, or to the extent such emission reduction, by 1 or more facilities receiving assistance under section 3102(a)(1).
(42 U.S.C. 7501) solely by reason of the use of such technology, or the achievement of such emission reduction, by 1 or more facilities receiving assistance under section 310(a)(2).”

§ 434. PAYMENT OF ADVANCE ROYALTIES UNDER COAL LEASES.

Section 7(b) of the Mineral Leasing Act (30 U.S.C. 207(b)) is amended—

(1) in the first sentence, by striking “Each lease” and inserting the following: “(1) Each lease”; and

(2) in the second sentence, by striking “The Secretary” and inserting the following: “(2) The Secretary.”

§ 437. INVENTORY REQUIREMENT.

(a) REVIEW OF ASSESSMENTS.—

(1) In general.—The Secretary of the Interior, in consultation with the Secretary of Agriculture, shall, not later than the date of the enactment of this Act, provide to the Department of Energy an independent technical and economic assessment of the potential benefits and costs of available technologies for the development of coal resources available on Federal lands and water, and produce a report detailing such assessment.

(2) Access to data.—The Secretary shall make available to the public all information related to the assessments required under this section.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents of the Department of Energy Organization Act (42 U.S.C. 7131 et seq.) is amended by striking the item relating to section 209, and inserting the item relating to this section.


(A) in section 1017, by inserting “the Secretary” after “Secretary” and inserting the following: “The Secretary, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall, not later than 2 years after the date of enactment of this Act, provide to the Department of Energy an independent technical and economic assessment of the potential benefits and costs of available technologies for the development of coal resources available on Federal lands and water, and produce a report detailing such assessment.”

(B) in section 1017A, by striking “The Secretary” and inserting “The Secretary, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall, not later than 2 years after the date of enactment of this Act, provide to the Department of Energy an independent technical and economic assessment of the potential benefits and costs of available technologies for the development of coal resources available on Federal lands and water, and produce a report detailing such assessment.”

§ 439. ELIMINATION OF DEADLINE FOR SUBMISSION OF COAL LEASE OPERATING AND RECLAMATION PLAN.

Section 7(e) of the Mineral Leasing Act (30 U.S.C. 207(e)) is amended by striking “shall be less than 1.0 and not more than 1.2 pounds of sulfur dioxide per million Btu.”

§ 440. AMENDMENT RELATING TO FINANCIAL ASSURANCES WITH RESPECT TO BONUS BIDS.

Section 207(b) of the Mineral Leasing Act (30 U.S.C. 207(b)) is amended—

(1) in the first sentence, by striking “a surety bond or other financial guarantee payment of deferred bonus bid instalments with respect to any coal lease issued before the date of the enactment of the Energy Policy Act of 2005 only if the Secretary determines that the lessee has a history of a timely payment of noncontested coal royalties and advanced coal royalties in lieu of production (where applicable) and bonus bid installment payments.”

(2) in the second sentence, by striking “The Secretary shall require that a lessee provide a surety bond or other financial guarantee payment of deferred bonus bid installment with respect to any coal lease issued before the date of the enactment of the Energy Policy Act of 2005 only if the Secretary determines that the lessee has a history of a timely payment of noncontested coal royalties and advanced coal royalties in lieu of production (where applicable) and bonus bid installment payments.”

(3) before the period “and”, by striking “The Secretary shall make a determination that the lessee is capable of making timely payments with respect to such lessee, and the Secretary shall not require a surety bond or other financial guarantee payment of deferred bonus bid installment with respect to any coal lease issued before the date of the enactment of the Energy Policy Act of 2005 only if the Secretary determines that the lessee has a history of a timely payment of noncontested coal royalties and advanced coal royalties in lieu of production (where applicable) and bonus bid installment payments.”

(4) in the first sentence, by striking “the Secretary” and inserting “the Secretary, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall make a determination that the lessee is capable of making timely payments with respect to such lessee, and the Secretary shall not require a surety bond or other financial guarantee payment of deferred bonus bid installment with respect to any coal lease issued before the date of the enactment of the Energy Policy Act of 2005 only if the Secretary determines that the lessee has a history of a timely payment of noncontested coal royalties and advanced coal royalties in lieu of production (where applicable) and bonus bid installment payments.”

(b) in the second sentence, by striking “The Secretary” and inserting “The Secretary, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall make a determination that the lessee is capable of making timely payments with respect to such lessee, and the Secretary shall not require a surety bond or other financial guarantee payment of deferred bonus bid installment with respect to any coal lease issued before the date of the enactment of the Energy Policy Act of 2005 only if the Secretary determines that the lessee has a history of a timely payment of noncontested coal royalties and advanced coal royalties in lieu of production (where applicable) and bonus bid installment payments.”

§ 441. ESTABLISHMENT OF COMMISSION.

(a) In general.—There is established within the Department of Energy an Indian Energy Commission.

(b) Members.—The Commission shall be composed of representatives from Indian tribes, States, and Federal agencies.

(c) Powers.—The Commission shall have the power to—

(1) study and make recommendations to the Congress and the President on matters relating to Indian energy policy and programs;

(2) hold hearings and make public investigations as necessary;

(3) employ personnel;

(4) contract for services; and

(5) make such rules, orders, and regulations as may be necessary to carry out the purposes of this Act.

§ 442. INDIAN ENERGY PROGRAMS.

(a) In general.—The Secretary of Energy shall—

(1) promote Indian tribal energy development, efficiency, and use;

(2) develop special programs for Indian tribes to reduce and stabilize energy costs;

(3) enhance and strengthen Indian tribal energy and economic infrastructure relating to natural resource development and electrification;

(4) implement the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(5) provide for the development of Indian energy policy and programs.

(b) Duties of the Secretary.—The Secretary shall coordinate Federal Indian energy programs and policies to ensure that such programs and policies will be consistent with Federal policies promoting Indian self-determination and the purposes of this Act, shall provide, direct, foster, coordinate, and deliver programs of the Department that—

(1) promote Indian tribal energy development, efficiency, and use;

(2) reduce and stabilize energy costs;

(3) enhance and strengthen Indian tribal energy and economic infrastructure relating to natural resource development and electrification;

(4) provide for the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(5) provide for the development of Indian energy policy and programs.

§ 443. CONFORMING AMENDMENTS.


(b) The Energy Policy Act of 2005 is amended by striking “energy consumers” and inserting “tribal energy consumers.”

§ 444. INDIAN SELF-DETERMINATION AND ENERGY DEVELOPMENT.

(a) In general.—There is established within the Department of Energy an Indian Energy Commission that shall—

(1) provide for the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(2) provide for the development of Indian energy policy and programs.

(b) Requirements.—The Secretary shall—

(1) promote Indian tribal energy development, efficiency, and use;

(2) develop special programs for Indian tribes to reduce and stabilize energy costs;

(3) enhance and strengthen Indian tribal energy and economic infrastructure relating to natural resource development and electrification;

(4) implement the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(5) provide for the development of Indian energy policy and programs.

§ 445. REPORTS TO CONGRESS.

(a) In general.—The Secretary shall submit to the Congress not later than 2 years after the date of enactment of this Act a report containing the following:

(1) a description of the Indian Energy Commission and the programs and activities of the Commission;

(2) a description of the Indian Energy Policy and Programs;

(3) a description of the Indian Energy and Economic Infrastructure Program; and

(4) a description of programs to promote Indian tribal energy development, efficiency, and use.

(b) Submission.—The Secretary shall submit the report required under subsection (a) not later than 2 years after the date of enactment of this Act.

§ 446. INDIAN SELF-DETERMINATION AND ENERGY DEVELOPMENT.

(a) In general.—There is established within the Department of Energy an Indian Energy Commission that shall—

(1) provide for the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(2) provide for the development of Indian energy policy and programs.

(b) Requirements.—The Secretary shall—

(1) promote Indian tribal energy development, efficiency, and use;

(2) develop special programs for Indian tribes to reduce and stabilize energy costs;

(3) enhance and strengthen Indian tribal energy and economic infrastructure relating to natural resource development and electrification;

(4) implement the appropriate use of Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds; and

(5) provide for the development of Indian energy policy and programs.
"Sec. 216. Office of Intelligence

"Sec. 217. Office of Indian Energy Policy and Programs".

(2) Section 5315 of title 5, United States Code, is amended by inserting after the item related to the Director General of the Department of Energy the following new item:

Director, Office of Indian Energy Policy and Programs, Department of Energy.

SEC. 554. INDIAN ENERGY—

(a) IN GENERAL.—Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.) is amended to read as follows:

"TITLE XXVI—INDIAN ENERGY

SEC. 2601. DEFINITIONS.

"In this title:

(1) The term 'Director' means the Director of the Office of Indian Energy Policy and Programs of the Department of Energy.

(2) The term 'Indian land' means—

(A) any land located within the boundaries of an Indian reservation, pueblo, or rancheria; or

(B) any land not located within the boundaries of an Indian reservation, pueblo, or rancheria, the title to which is held—

(i) in trust by the United States for the benefit of an Indian tribe or an individual Indian; or

(ii) by an Indian tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or

(iii) by an Indian community; and

(C) land that is owned by an Indian tribe and was conveyed by the United States to a Native Corporation pursuant to the Alaska Native Claims Settlement Act of 1980 (25 U.S.C. 161 et seq.), or that was conveyed by the United States to a Native Corporation in exchange for such land.

(3) The term 'Indian reservation' includes—

(A) an Indian reservation in existence in any State or States as of the date of enactment of this paragraph; and

(B) an Indian domain allotment; and

(C) a dependent Indian community located within the borders of the United States, regardless of whether the community is located—

(i) on an original or acquired territory of the community; or

(ii) within or outside the boundaries of any State or States.

(4)(A) The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(B) Notwithstanding the meaning of paragraph (12) and sections 2603(b)(1)(C) and 2604, the term 'Indian tribe' does not include any Native Corporation.

(5) The term 'integration of energy resources' means the development and implementation of programs that promote the location and operation of a facility (including any pipeline, gathering system, transportation system or facility, or electric transmission or distribution facility) on or near Indian land to process, refine, generate electricity from, or otherwise develop energy resources on, Indian land.

(6) The Native Corporation has the meaning given the term in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602).

(7) The term 'organization' means a partnership, joint venture, limited liability company, or other unincorporated association or entity that is established to develop Indian energy resources.

(8) The term 'Program' means the Indian energy resource development program established under section 2602(a).

(9) The term 'Secretary' means the Secretary of the Interior.

(10) The term 'sequestration' means the long-term separation, isolation, or removal of greenhouse gases from the atmosphere, including through a biological or geologic method such as reforestation or an underground reservoir.

(11) The term 'tribal energy resource development organization' means an organization of 2 or more entities, at least 1 of which is an Indian tribe, that has written consent of the governing bodies of all Indian tribes participating in the organization to apply for a grant, loan, or other assistance under section 2602.

(12) The term 'tribal land' means any land or interest in land owned by any Indian tribe, title to which is held in trust by the United States, or is subject to a restriction against alienation under laws of the United States.

SEC. 2602. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT.

(a) DEPARTMENT OF THE INTERIOR PROGRAM.

(1) To assist Indian tribes in the development of energy resources and further the goal of Indian self-determination, the Secretary shall establish and implement an Indian energy resource development program to assist growing Indian tribes and tribal energy resource development organizations in achieving the purposes of this title.

(2) In carrying out the Program, the Secretary shall—

(A) provide development grants to Indian tribes and tribal energy resource development organizations for use in developing or obtaining the managerial and technical capacity needed to develop energy resources on Indian land, and to manage and properly account for resulting energy production and revenues;

(B) provide grants to Indian tribes and tribal energy resource development organizations for use in carrying out projects to promote the integration of energy resources, and to process, use, or develop those energy resources, on Indian land;

(C) provide low-interest loans to Indian tribes and tribal energy resource development organizations for use in the promotion of energy resource development on Indian land and integration of energy resources;

(D) provide grants and technical assistance to an appropriate tribal environmental organization, as determined by the Secretary, that represents multiple Indian tribes to establish a national resource center to develop tribal capacity to establish and carry out tribal environmental programs in support of energy-related programs and activities under this title, including—

(i) training programs for tribal environmental officials, program managers, and other governmental representatives; and

(ii) the development of model environmental policies and tribal laws, including tribal environmental review codes, and the creation and maintenance of procedures to implement best environmental management practices; and

(iii) recommended standards for reviewing the implementation of tribal environmental laws and policies in tribal judicial or other tribal appeals systems.

(3) There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2006 through 2016.

(b) DEPARTMENT OF ENERGY LOAN GUARANTEE PROGRAM—

(1) Subject to paragraphs (2) and (4), the Secretary of Energy may issue loan guarantees (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) for an amount equal to not more than 90 percent of the principal and interest on a loan made to an Indian tribe for energy development.

(2) In providing a loan guarantee under this subsection for an activity to provide, or expand the provision of, electricity on Indian land, the Secretary shall encourage cooperative arrangements between Indian tribes and utilities that provide service to Indian tribes, as the Secretary determines to be appropriate.

(3) The Secretary of Energy may issue such regulations as the Secretary determines to be necessary to carry out this subsection.

(4) There is authorized to be appropriated to carry out this subsection $20,000,000 for each of fiscal years 2006 through 2016.

(c) DEPARTMENT OF ENERGY LOAN GUARANTEE PROGRAM—

(1) Subject to paragraphs (2) and (4), the Secretary of Energy may issue loan guarantees (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) for an amount equal to not more than 90 percent of the principal and interest on a loan made to an Indian tribe for energy development.

(2) In providing a loan guarantee under this subsection for an activity to provide, or expand the provision of, electricity on Indian land, the Secretary of Energy shall encourage cooperative arrangements between Indian tribes and utilities that provide service to Indian tribes, as the Secretary determines to be appropriate.

(3) A loan guarantee under this subsection shall be made by—

(A) a financial institution subject to examination by the Secretary of Energy; or

(B) an Indian tribe, from funds of the Indian tribe.

(4) The aggregate outstanding amount guar-anteed by the Secretary of Energy at any time under this subsection shall not exceed $2,000,000,000.

(5) The Secretary of Energy may issue such regulations as the Secretary of Energy determines are necessary to carry out this subsection.

(6) There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.

(7) Not later than 1 year after the date of enactment of this section, the Secretary of Energy shall submit to Congress the financing requirements of Indian tribes for energy development on Indian land.
(d) PREFERENCE.—

“(1) In purchasing electricity or any other energy product or byproduct, a Federal agency or department may give preference to an energy and renewable energy enterprise, partnership, consortium, corporation, or other type of business organization the majority of the interest in which is owned and controlled by 1 or more Indian tribe—

“(i) the tribe has demonstrated that it has sufficient capacity to develop energy resources of the Indian tribe; or

“(ii) the tribe has demonstrated that it has sufficient capacity to develop energy resources of the Indian tribe; or

“(iii) the tribe has demonstrated that it has sufficient capacity to develop energy resources of the Indian tribe.

“(2) In carrying out this subsection, a Federal agency or department shall not—

“(A) pay more than the prevailing market price for an energy product or byproduct; or

“(B) obtain less than prevailing market terms and conditions.

SEC. 2603. INDIAN TRIBAL ENERGY RESOURCE REGULATION.

“(a) GRANTS.—The Secretary may provide to Indian tribes, on an annual basis, grants for use in accordance with subsection (b).

“(b) USE OF FUNDS.—Funds from a grant provided under this section may be used—

“(1) by an Indian tribe for the development of a tribal energy resource inventory or tribal energy resource on Indian land;

“(2) by an Indian tribe for the development of a feasibility study or other report necessary to the development of energy resources on Indian land;

“(3) by an Indian tribe (other than an Indian tribe in the State of Alaska, except the Metlakatla (Sockeye) Indian community) for—

“(i) the development and enforcement of tribal laws (including regulations) relating to tribal energy resource development; and

“(ii) the development of technical infrastructure to protect the environment under applicable law; or

“(4) by a Native Corporation for the development and implementation of corporate policies and the development of technical infrastructure to protect the environment under applicable law;

“(b) RIGHTS-OF-WAY FOR PIPELINES OR ELECTRIC TRANSMISSION OR DISTRIBUTION LINES.—An Indian tribe may grant a right-of-way over tribal land for a pipeline or an electric transmission or distribution line without review or approval by the Secretary—

“(1) the right-of-way is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e); or

“(2) the term of the right-of-way does not exceed 30 years;

“(3) the pipeline or electric transmission or distribution line runs in a manner that, if any of its provisions violates an express term or requirement of the tribal energy resource agreement pursuant to which the lease, business agreement, or right-of-way was executed—

“(aa) the provision shall be null and void; and

“(bb) if the Secretary determines the provision to be material, the Secretary may suspend or rescind the lease, business agreement, or right-of-way to take other appropriate action that the Secretary determines to be in the best interest of the Indian tribe.

“(b) RIGHTS-OF-WAY.—A lease, business agreement, or right-of-way granted by an Indian tribe under this section may be renewed at the discretion of the Indian tribe in accordance with this section.

“(1) On the date on which regulations promulgated under paragraph (8), an Indian tribe may submit to the Secretary for approval a tribal energy resource agreement covering leases, business agreements, and right-of-ways under this section—

“(2)(A) an electric generation, transmission, or distribution facility located on tribal land; or

“(B) a facility located on tribal land that processes or refines energy resources developed on tribal land; and

“(C) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including the periodic review and evaluation of the activities of the Indian tribe under an agreement described in subparagraphs (D) and (E) of subsection (e));

“(2) the right-of-way does not exceed 30 years; or

“(3) the right-of-way is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e);

“(4) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including the periodic review and evaluation of the activities of the Indian tribe under an agreement described in subparagraphs (D) and (E) of subsection (e));

“(5) the right-of-way is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e);

“(c) RENEWALS.—A lease, business agreement, or right-of-way granted by an Indian tribe under this section may be renewed at the discretion of the Indian tribe in accordance with this section.

“Validity.—No lease, business agreement, or right-of-way relating to the development of tribal energy resources under this section shall be valid unless the lease, business agreement, or right-of-way is in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e).

“(d) VALIDITY.—No lease, business agreement, or right-of-way relating to the development of tribal energy resources under this section shall be valid unless the lease, business agreement, or right-of-way is in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e).

“(e) TRIBAL ENERGY RESOURCE AGREEMENTS.—

“(f) TRIBAL ENERGY RESOURCE AGREEMENTS.—

“(1) On the date on which regulations promulgated under paragraph (8), an Indian tribe may submit to the Secretary for approval a tribal energy resource agreement covering leases, business agreements, and right-of-ways under this section.

“(2)(A) Not later than 270 days after the date on which the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (1), or not later than 60 days after the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (4)(C) (or a later date, as agreed to by the Secretary and the Indian tribe), the Secretary shall approve or disapprove the tribal energy resource agreement.

“(B) The Secretary shall approve a tribal energy resource agreement submitted under paragraph (1) if—

“(i) the Secretary determines that the Indian tribe has demonstrated that it has sufficient capacity to develop energy resources of the Indian tribe; or

“(ii) the tribal energy resource agreement includes provisions required under subparagraph (D); and

“(iii) the tribal energy resource agreement includes provisions that, with respect to a lease, business agreement, or right-of-way under this section—

“(1) ensure the acquisition of necessary information from the applicant for the lease, business agreement, or right-of-way; or

“(II) address the term of the lease or business agreement or the term of conveyance of the right-of-way; or

“(IV) specify the financial assistance, if any, to be provided by the Indian tribe to assist in implementation of the tribal energy resource agreement, including environmental review of individual projects; and

“(VI) valid unless the lease, business agreement, or right-of-way is in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e).

“(c) RENEWALS.—A lease, business agreement, or right-of-way granted by an Indian tribe under this section may be renewed at the discretion of the Indian tribe in accordance with this section.

“(1) On the date on which regulations promulgated under paragraph (8), an Indian tribe may submit to the Secretary for approval a tribal energy resource agreement covering leases, business agreements, and right-of-ways under this section.

“(2)(A) Not later than 270 days after the date on which the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (1), or not later than 60 days after the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (4)(C) (or a later date, as agreed to by the Secretary and the Indian tribe), the Secretary shall approve or disapprove the tribal energy resource agreement.

“(B) The Secretary shall approve a tribal energy resource agreement submitted under paragraph (1) if—

“(i) the Secretary determines that the Indian tribe has demonstrated that it has sufficient capacity to develop energy resources of the Indian tribe; or

“(ii) the tribal energy resource agreement includes provisions required under subparagraph (D); and

“(iii) the tribal energy resource agreement includes provisions that, with respect to a lease, business agreement, or right-of-way under this section—

“(I) ensure the acquisition of necessary information from the applicant for the lease, business agreement, or right-of-way; or

“(II) address the term of the lease or business agreement or the term of conveyance of the right-of-way; or

“(IV) address the economic return to the Indian tribe under leases, business agreements, and right-of-ways; or

“(VI) comply with the regulations promulgated under paragraph (8); and

“(VII) ensure compliance with all applicable environmental laws, including a requirement that each lease, business agreement, and right-of-way state that the lessee, operator, or right-of-way grantee shall comply with all such laws; and

“(VIII) includes citations to tribal laws, regulations, or procedures, if any, that set out tribal remedies that must be exhausted before a petition may be submitted to the Secretary under paragraph (7)(B).

“(XVI) include provisions to ensure compliance with an environmental review process that, with respect to a lease, business agreement, or right-of-way that constitutes a violation of Federal or tribal environmental laws.

“(f) TRIBAL ENERGY RESOURCES AGREEMENTS.—Tribal energy resource agreements submitted under paragraph (1) shall establish, and include provisions to ensure compliance with an environmental review process that, with respect to a lease, business agreement, or right-of-way under this section, provides for, at a minimum—

“(I) the identification and evaluation of all significant environmental effects (as compared to no-action alternative), including effects on cultural resources;
or right-of-way document (including all amendments thereto) that—

(i) the public is informed of, and has an opportunity to comment on, the environmental impacts of the proposed action; and

(ii) include administrative support and technical capability to carry out the environmental review process; and

(v) oversight by the Indian tribe of energy development projects by any other party under any lease, business agreement, or right-of-way entered into pursuant to the tribal energy resource agreement, to determine whether the activities are in compliance with the tribal energy resource agreement and applicable Federal environmental laws.

(D) A tribal energy resource agreement between the Secretary and an Indian tribe under this subsection shall include—

(i) provisions requiring the Secretary to conduct a periodic review and evaluation to monitor the performance of the activities of the Indian tribe associated with the development of energy resources under the tribal energy resource agreement and any Indian tribe or Indian tribe described in subparagraph (D)(iii) of section 316 of the Indian Reorganization Act of 1934 (25 U.S.C. 463 note) that have entered into a tribal energy resource agreement, the Secretary shall conduct a periodic review and evaluation to monitor the performance of the activities of the Indian tribe associated with the development of energy resources under the tribal energy resource agreement and applicable Federal environmental laws.

(ii) a process for ensuring that the Indian tribe is protected in its interest as the owner of the energy resources on tribal land until the violation and any condition that caused the jeopardy are corrected.

(E) Periodic review and evaluation under subparagraph (D) shall be conducted on an annual basis, except that, after the third annual review and evaluation, the Secretary and the Indian tribe may mutually agree to amend the tribal energy resource agreement to authorize the review and evaluation under subparagraph (D) to occur every 2 years.

(3) The Secretary shall provide notice and an opportunity for public comment on the tribal energy resource agreement submitted for approval under paragraph (2) to the Indian tribe; the Secretary may enter into an agreement with the Indian tribe to a tribal energy resource agreement that shall be limited to activities specified by the provisions of the tribal energy resource agreement.

(A) If the Secretary disapproves a tribal energy resource agreement submitted by an Indian tribe under paragraph (1), the Secretary shall—

(A) notify the Indian tribe in writing of the reasons for disapproval;

(B) identify what changes or other actions are required to address the concerns of the Secretary; and

(C) provide the Indian tribe with an opportunity to revise or resubmit the tribal energy resource agreement.

(B) The Secretary shall, in accordance with a tribal energy resource agreement approved under this subsection, the Indian tribe shall, in accordance with the process and requirements under regulations promulgated under paragraph (7), provide to the Secretary—

(A) a copy of the lease, business agreement, or right-of-way document (including all amendments to and renewals of the document); and

(B) Tribal energy resource agreement or a lease, business agreement, or right-of-way that permits payments to be made directly to the Indian tribe, information and documentation of those payments sufficient to enable the Secretary to discharge the trust responsibility of the United States to ensure that the terms of the lease, business agreement, or right-of-way.

(A) In carrying out this section, the Secretary shall—

(i) act in accordance with the trust responsibility of the United States relating to mineral and other trust resources; and

(ii) act in good faith and in the best interests of the Indian tribes.

(B) Subject to the provisions of subsections (A)(ii) and (C)(ii), if the Secretary disapproves the tribal energy resource agreement approved under this section, and the provisions of paragraph (7)(D), nothing in this section shall oblige the United States from any responsibility to Indians or Indian tribes, including, but not limited to, those which derive from the trust relationship or from any treaties, statutes, and other laws of the United States, Executive Orders, or agreements between the United States and any Indian tribe.

(C) The Secretary shall continue to fulfill the trust obligation of the United States to ensure that the rights and interests of an Indian tribe are protected if—

(i) any other party to a lease, business agreement, or right-of-way violates any applicable Federal law or the terms of any lease, business agreement, or right-of-way under this section; or

(ii) any provision in a lease, business agreement, or right-of-way violates the tribal energy resource agreement pursuant to which the lease, business agreement, or right-of-way was executed.

(D) In this subparagraph, the term ‘negotiated term’ means any term or provision that is negotiated by an Indian tribe and any other party to a lease, business agreement, or right-of-way entered into pursuant to an approved tribal energy resource agreement.

(E) Notwithstanding subparagraph (B), the United States shall not be liable to any party (including any Indian tribe) for any negotiated term of, or any loss resulting from the negotiated terms of, a lease, business agreement, or right-of-way executed pursuant to and in accordance with a tribal energy resource agreement approved by the Secretary under paragraph (2).

(2) If the Secretary—

(A) temporarily suspends any activity under a lease, business agreement, or right-of-way under this section during the period in which the Secretary determines that additional time is necessary to evaluate the allegations of the petition;

(B) rescinds approval of all or part of the tribal energy resource agreement, and all of the agreement is rescinded, resuming the responsibility for approving any other leases, business agreements, or rights-of-way described in subsection (a) or (b).

Before taking an action described in subparagraph (D)(iii), the Secretary shall—

(i) make a written determination that describes the manner in which the tribal energy resource agreement has been violated; and

(ii) provide the Indian tribe with a written notice of the violations together with the written determination; and

(iii) before taking any action described in subparagraph (D)(iii) or seeking any other remedy, provide the Indian tribe with a hearing and a reasonable opportunity to attain compliance with the tribal energy resource agreement.

(F) An Indian tribe described in subparagraph (E) shall retain all rights to appeal under any regulation promulgated by the Secretary.

(G) Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Secretary shall promulgate regulations that implement this subsection, including—

(i) provisions establishing the capacity of an Indian tribe under paragraph (2)(B)(ii), including the experience of the Indian tribe in managing natural resources and financial and administrative resources available for use by the Indian tribe in implementing the approved tribal energy resource agreement of the Indian tribe; and

(ii) process and requirements in accordance with which an Indian tribe may—

(A) voluntarily rescind a tribal energy resource agreement approved by the Secretary under this subsection by petition to the Secretary;

(B) return to the Secretary the responsibility to approve any future lease, business agreement, or right-of-way under this subsection;

(C) provisions establishing the scope of, and procedures for, the periodic review and evaluation described in subparagraphs (D) and (E) of paragraph (2), including provisions for review of transactions, reports, site inspections, and any other review activities the Secretary determines to be appropriate; and

(D) provisions describing final agency actions after exhaustion of administrative appeals from determinations of the Secretary under paragraph (7).

(3) No EFFECT ON OTHER LAW.

(A) If the Secretary determines that the Indian tribe is not in compliance with the tribal energy resource agreement, the Secretary shall take such action as the Secretary determines to be necessary to ensure compliance with the tribal energy resource agreement, including—

(i) temporarily suspending any activity under a lease, business agreement, or right-of-way under this section until the Indian tribe is in compliance with the approved tribal energy resource agreement; or

(ii) rescinding approval of all or part of the tribal energy resource agreement, and if all of the agreement is rescinded, resuming the responsibility for approving any other leases, business agreements, or rights-of-way described in subsection (a) or (b).

(B) Before taking an action described in subparagraph (D)(iii), the Secretary shall—

(i) make a written determination that describes the manner in which the tribal energy resource agreement has been violated; and

(ii) provide the Indian tribe with a written notice of the violations together with the written determination; and

(iii) before taking any action described in subparagraph (D)(iii) or seeking any other remedy, provide the Indian tribe with a hearing and a reasonable opportunity to attain compliance with the tribal energy resource agreement.

(C) An Indian tribe described in subparagraph (E) shall retain all rights to appeal under any regulation promulgated by the Secretary.

(D) Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Secretary shall promulgate regulations that implement this subsection, including—

(i) provisions establishing the capacity of an Indian tribe under paragraph (2)(B)(ii), including the experience of the Indian tribe in managing natural resources and financial and administrative resources available for use by the Indian tribe in implementing the approved tribal energy resource agreement of the Indian tribe; and

(ii) process and requirements in accordance with which an Indian tribe may—

(A) voluntarily rescind a tribal energy resource agreement approved by the Secretary under this subsection by petition to the Secretary;

(B) return to the Secretary the responsibility to approve any future lease, business agreement, or right-of-way under this subsection;

(C) provisions establishing the scope of, and procedures for, the periodic review and evaluation described in subparagraphs (D) and (E) of paragraph (2), including provisions for review of transactions, reports, site inspections, and any other review activities the Secretary determines to be appropriate; and

(D) provisions describing final agency actions after exhaustion of administrative appeals from determinations of the Secretary under paragraph (7).

(E) No EFFECT ON OTHER LAW.

(a) Any Federal environmental law;
benefit of an Indian tribe located in the service area of the
Secretary such sums as are necessary for each of
the fiscal years beginning April 1, 2006 through 2008 to carry
out such studies and demonstrations. There are authorized to be appropriated to carry out this section $750,000, non-reimbursable, to
remain available until expended.

SEC. 2606. WIND AND HYDROPOWER FEASIBILITY STUDY.

(a) STUDY.—The Secretary of Energy, in co-

ordination with the Army and the Secretary, shall conduct a study of the cost
and feasibility of developing a demonstration project that uses wind energy generated by
Indian tribes and hydropower generated by the Army Corps of Engineers on the Missouri River
system to supply firming power to the Western Area Power Administration.

(b) SCOPE OF STUDY.—The study shall—
"(1) determine the economic and engineering
feasibility of blending wind energy and hydropower generated from the Missouri River dams
operated by the Army Corps of Engineers, in-
cluding an assessment of the costs and benefits
of blending wind energy and hydropower com-
pared to current sources used for firming power
for the Western Area Power Administration;

"(2) review relevant studies and projected require-
ments for, patterns of availability and use of,
and reasons for historical patterns concerning
the availability of firming power;

"(3) assess the wind-resource potential on tribal land and projected cost savings through a blend of wind and hydropower over a
30-year period;

"(4) determine the economic and environmental
impacts of, and associated transmission upgrades for integration of tribal wind generation and identify costs as-
sociated with these activities;

"(5) include a representative tribal engineer and a Western Area Power Administration cus-
tomer representative as study team members;

"(6) incorporate, to the extent appropriate, the results of the Dakotas Wind Transmission study prepared by the Western Area Power Ad-
ministration.

(c) REPORT.—Not later than 1 year after the date of enactment of the Energy Policy Act of 2005
the Secretary shall submit to Congress a report that describes the results of the study, includ-
ing—
"(1) an analysis and comparison of the poten-
tial energy and economic benefits of the Western Area Power Administration through the use of combined wind and hydropower;

"(2) an economic and engineering evaluation of whether planned and hydropower-only
system can reduce reservoir fluctuation, en-
hance efficiency and reliable energy production, and provide Missouri River management flexi-
bility;

"(3) if found feasible, recommendations for a demonstration project to be carried out by the Western Area Power Administration, in partner-
ship with an Indian tribe or tribal-customer partnership, to demonstrate the feasibility and potential of using wind energy to supplement energy from the Missouri River system to supply firming energy to the Western Area Power Administration; and

"(4) an identification of—
"(A) the economic and environmental costs of,
or benefits to be realized through, a Federal-
tribal-customer partnership; and

"(B) the historical and projected require-
ments, costs and benefits for energy supplied by the Indian tribes to meet the
firming and reserve requirements of the
Western Area Power Administration.

"(d) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to carry out this section $750,000, non-reimbursable, to
remain available until expended.

"(e) NONREIMBURSABILITY.—Costs incurred by the Secretary in carrying out this section shall be nonreimbursable.".

SEC. 2607. WIND ENERGY DEVELOPMENT.

(a) DEFINITIONS.—In this section—
"(1) the term ‘tribal lands’ means the lands
owned and held by an Indian tribe;

"(2) the term ‘tribal member’ means an
Indian who is enrolled in an Indian tribe;

"(3) the term ‘tribal-customer partnership’ means
an Indian tribe or a tribal-customer partnership
organized in accordance with this section
with the Secretary of Energy that is formed to
utilize the resources of the part of the United States
owned by the tribe; and

"(4) the term ‘tribal cultural or economic need’ means
an energy need that is not met by available Federal,
Indian tribe, or non-Federal resources.

(b) ENCOURAGEMENT OF INDIAN TRIBAL EN-
ERGY DEVELOPMENT.—Each Administrator shall encour-
ge Indian tribal energy development by taking such actions as the Administrators deter-
mine will promote Indian tribal energy self-suffici-
ency, including coordination with the Secretary of the Interior and the Secretary of
Energy, and consulting with the tribes affected by such action.

(c) ACTION BY ADMINISTRATORS.—In carrying out this section, in accordance with laws in existence on the date of enactment of the Energy Policy Act of 2005—
"(1) each Administrator shall consider the unique relationship that exists between the Un-
ited States and Indian tribes;

"(2) power allocations from the Western Area Power Administration to Indian tribes may be used to meet firming and reserve needs of In-
dian-owned energy projects on Indian land;

"(3) the Program Manager of the Western Area Power Administration may purchase non-feder-
ally generated power from Indian tribes to meet the firming and reserve requirements of the
Western Area Power Administration; and

"(4) each Administrator shall—
"(A) pay more than the prevailing market price for an energy product; or

"(B) purchase less than prevailing market terms and conditions.

(d) ASSISTANCE FOR TRANSMISSION SYSTEM UPGRADES.—
"(1) An Administrator may provide technical assistance to Indian tribes seeking to use the high-voltage transmission system for delivery of electric power.

"(2) The costs of technical assistance provided under paragraph (1) shall be funded—
"(A) by the Secretary of Energy using non-
reimbursable funds appropriated for that purpose; or

"(B) by any appropriate Indian tribe.

(e) POWER ALLOCATION STUDY.—Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Secretary shall submit to Congress a report that describes the results of the study, includ-
ing—
"(1) the economic and environmental costs of,
or benefits to be realized through, a Federal-
tribal-customer partnership; and

"(2) the promotion of shared savings contracts; and

"(3) the use and implementation of such other similar technologies and innovations as the Secretary
determines to be appropriate.

SEC. 602. EXTENSION OF INDEMNIFICATION AUTHORITY.

(a) IN GENERAL.—The Secretary of the Army and the Secretary of the Interior, shall disburse Federal funds to the maximum extent practicable, involve and consult with Indian tribes.

(b) CONFORMING AMENDMENTS.—The table of contents for the Energy Policy Act of 1992 is amended by striking the items relating to title XXVI and inserting the following:

"Sec. 601. Definitions.

"Sec. 602. Indian tribal energy resource develop-
ment.

"Sec. 603. Indian tribal energy resource regu-
lation.

"Sec. 604. Leases, business agreements, and
rights-of-way involving energy development or transmission.

"Sec. 605. Federal Power Marketing Admin-
istrations.

"Sec. 606. Wind and hydropower feasibility study.

"Sec. 607. Indian tribal energy development.

"Sec. 608. Tribal self-determination.

"Sec. 609. Tribal energy security.
(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking “August 1, 2002” each place it appears and inserting “December 31, 2025”.

SEC. 603. MAXIMUM ASSESSMENT.
Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended in subsection 1, (A) by striking “$63,000,000” and inserting “$55,800,000”; and (B) by striking $10,000,000 in any 1 year and inserting “$15,000,000 in any 1 year (subject to adjustment for inflation under subsection t.); and (2) in subsection t.—
(A) inserting “annual” after “amount of the maximum”; (B) by striking “the date of the enactment of the Price-Anderson Amendments Act of 1988” and inserting “August 20, 2003”; and (C) in subparagraph (A), by striking “such date of enactment” and inserting “August 20, 2003”.

SEC. 604. DEPARTMENT LIABILITY LIMIT.
(a) INDEMNIFICATION OF DEPARTMENT CONTRACTORS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:—
“(2) In an agreement of indemnification entered into in accordance with paragraph (1), the Secretary—
(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and
(B) shall indemnify against such liability above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under section 702 of the Price-Anderson Amendments Act of 1988) in the aggregate, for all persons indemnified in connection with the contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.”
(b) CONTRACT AMENDMENTS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking paragraph (3) and inserting the following:—
“(3) All agreements of indemnification under which the Department of Energy (or its predecessor) is required to indemnify any person under this section shall be deemed to be amended, on the date of enactment of the Price-Anderson Amendments Act of 2005, to reflect the amended indemnification for public liability and any applicable financial protection required of the contractor under this subsection.”
(c) LIABILITY LIMIT.—Section 170 e.(1)(B) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)(1)(B)) is amended—
(1) by striking “the maximum amount of financial protection required under subsection b. or c.”; and
(2) by striking “paragraph (3) of subsection d., whichever amount is more” and inserting “paragraph d.”

SEC. 605. INCIDENTS OUTSIDE THE UNITED STATES.
(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking “$100,000,000” and inserting “$500,000,000.”
(b) LIABILITY LIMIT.—Section 170 e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)(4)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

SEC. 606. REPORTS.
(a) IN GENERAL.—Section 170 s. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(s)) is amended by striking “August 1, 1998” and inserting “December 31, 2021.”

SEC. 607. INFLATION ADJUSTMENT.
Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—
(1) by redesignating paragraph (2) as paragraph (3); and
(2) by inserting after paragraph (1) the following:
“(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following the date of enactment of this section, in accordance with the aggregate percentage change in the Consumer Price Index since—
(A) that date, in the case of the first adjustment under this paragraph; or
(B) the previous adjustment under this paragraph.’’.}

SEC. 608. TREATMENT OF MODULAR REACTORS.
(a) IN GENERAL.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:
“(5)(A) For purposes of this section only, the Commission may, occurring under a contract entered into after the date of enactment of this Act,
(C) the aggregate amount of assistance provided, and in accordance with criteria established by the Commission,
(D)(1) award fellowships to undergraduate students who—
(1) are United States citizens; and
(2) enter into an agreement under subsection c. to be employed by the Commission in the area of study for which the scholarship is awarded.

(c) REQUIREMENTS.—
(1) IN GENERAL.—As a condition of receiving a scholarship or fellowship under subsection a. or b., a recipient of the scholarship or fellowship shall enter into an agreement with the Commission under which, in return for the assistance, the recipient shall—
(A) maintain satisfactory academic progress in the studies of the recipient, as determined by criteria established by the Commission;
(B) agree that failure to maintain satisfactory academic progress shall constitute grounds on which the Commission may terminate the assistance;
(C) complete the academic course of study in connection with which the assistance was provided, and in accordance with criteria established by the Commission.

(d) COMPETITIVE PROCESS.—Recipients of scholarships or fellowships under this section shall be selected through a competitive process primarily on the basis of academic merit and such other criteria as the Commission may establish, with consideration given to financial need and the goal of participation of individuals identified in section 33 or 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1865a, 1865b).

(e) INDIVIDUALS.—The Commission may appoint directly, without further competition, public notice, or consideration of any other candidates, individuals who—
(1) received a scholarship or fellowship awarded by the Commission under this section; and
(2) completed the academic program for which the scholarship or fellowship was awarded.”.

SEC. 622. NUCLEAR REGULATORY COMMISSION SCHOLARSHIP AND FELLOWSHIP PROGRAM.
(a) IN GENERAL.—Chapter 19 of the Atomic Energy Act of 1954 is amended by inserting after section 242 (42 U.S.C. 210a) the following:—
“Sec. 243. SCHOLARSHIP AND FELLOWSHIP PROGRAM.
“(a) A Scholarship Program.—To enable students to study, for at least 1 academic semester or equivalent term, science, engineering, or another field of study that the Commission determines is in a critical skill area related to the regulatory mission of the Commission, the Commission may carry out a program to—
(1) award scholarships to undergraduate students who—
(2) enter into an agreement under subsection c. to be employed by the Commission in the area of study for which the scholarship is awarded.

(b) FELLOWSHIPS.—To enable students to pursue education in science, engineering, or another field of study that the Commission determines is in a critical skill area related to the regulatory mission of the Commission, or professional degree program offered by an institution of higher education in the United States, the Commission may carry out a program to—
(1) award fellowships to graduate students who—
(2) enter into an agreement under subsection c. to be employed by the Commission in the area of study for which the fellowship is awarded.”

SEC. 623. COST RECOVERY FROM GOVERNMENT AGENCIES.
Section 161 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(w)) is amended—
(1) by striking “for or is issued” and all that follows through “$170” and inserting “to the Commission for, or is issued by the Commission, a license or certificate”;

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SEC. 624. ELIMINATION OF PENNSYLVANIA OFFSET FOR CERTAIN REHEARD FEDERAL RETIREES.

(a) In General.—Chapter 14 of the Atomic Energy Act of 1944 (42 U.S.C. 2201 et seq.) is amended by adding at the end the following:

"SEC. 170C. ELIMINATION OF PENNSYLVANIA OFFSET FOR CERTAIN REHEARD FEDERAL RETIREES.

"(a) In General.—The Commission may waive the application of section 8344 or 8468 of title 5, United States Code, on a case-by-case basis for employment of an annuitant—

'(1) in a position of the Commission for which there is exceptional difficulty in recruiting or retaining a qualified employee; or

'(2) when a temporary emergency hiring need exists.

"(b) Procedures.—The Commission shall prescribe procedures for the exercise of authority under this section, including—

'(1) criteria for any exercise of authority; and

'(2) procedures for a delegation of authority.

"(c) Effect of Waiver.—An employee as to whom a waiver under this section is in effect shall not be considered an employee for purposes of—

'(1) chapter 83, 84, or chapter 84, of title 5, United States Code.

"SEC. 625. ANTITRUST REVIEW.

Section 106 c. of the Atomic Energy Act of 1944 (42 U.S.C. 2235c) is amended by adding at the end the following:

"(g) Application.—This subsection does not apply to an application for a license to construct or operate a utilization facility or production facility under section 103 or 104 b. that is filed on or after the date of enactment of this paragraph.

SEC. 626. DECOMMISSIONING.

Section 161 i. of the Atomic Energy Act of 1944 (42 U.S.C. 2280l(i)) is amended by—

(1) by striking "and (3)" and inserting "(3)"; and

(2) by inserting before the semicolon at the end the following: "and (4) to ensure that sufficient and appropriate measures are available for the decommissioning of any production or utilization facility licensed under section 103 or 104 b., including standards and regulations governing the control, maintenance, use, and disposition by any former licensee under this Act that has control over any fund for the decommissioning of the facility.

SEC. 627. LIMITATION ON LEGAL FEE REIMBURSEMENT.

Title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.) is amended by adding at the end the following new section:

"LIMENTATION ON LEGAL FEE REIMBURSEMENT

"Sec. 212. The Department of Energy shall not, except as required under a contract entered into before the date of enactment of this section, reimburse any contractor or subcontractor of the Department for any legal fees or expenses incurred with respect to a complaint subsequent to—

"(1) an adverse determination on the merits with respect to such complaint against the contractor or subcontractor by the Director of the Department of Energy, the Office of Hearings and Appeals pursuant to part 708 of title 10, Code of Federal Regulations, or by a Department of Labor Administrative Law Judge pursuant to section 1432 of title 29, United States Code, or

"(2) an adverse final judgment by any State or Federal court with respect to such complaint against the contractor or subcontractor for wrongful termination or retaliation due to the making of disclosures protected under chapter 12 of title 5, United States Code, section 211 of this Act, or any comparable State law, unless the adverse determination or final judgment is reversed upon further administrative or judicial review.

"SEC. 628. DECOMMISSIONING PILOT PROGRAM.

(a) Pilot Program.—The Secretary shall establish a decommissioning pilot program under which the Secretary shall decommission and decontaminate the sodium-cooled fast breeder experimental reactor located in the state of Arkansas, in accordance with the decommissioning activities contained in the report of the Department relating to the reactor, dated August 31, 1996.

(b) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary to carry out this section $15,000,000.

SEC. 629. WHISTLEBLOWER PROTECTION.

(a) Definition of Employer.—Section 211(c)(2) of the Energy Reorganization Act of 1974 (42 U.S.C. 5831(a)(2)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

'(E) a contractor or subcontractor of the Commission;

'(F) the Commission; and

'(G) the United States Government.

(b) De Novo Review.—Subsection (b) of section 211 is amended by adding at the end the following paragraph:

'(4) If the Secretary has not issued a final decision within 1 year after the filing of a complaint under paragraph (1), and there is no showing that such delay is due to the bad faith of the person asserting such complaint, the person asserting such complaint may bring an action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy.

SEC. 630. MEDICAL ISOTOPE PRODUCTION.

Section 134 of the Atomic Energy Act of 1944 (42 U.S.C. 2260b) is amended—

(1) in subsection a., by striking "a. The Commission" and inserting "a. IN GENERAL.—Except as provided in subsection b., the Commission";

(2) by redesignating subsection b. as subsection c.; and

(3) by inserting after subsection a. the following:

"b. MEDICAL ISOTOPE PRODUCTION.—

'(1) Definitions.—In this subsection:

'(A) HIGHLY ENRICHED URANIUM.—The term ‘highly enriched uranium’ means uranium enriched to include concentration of U-235 above 20 percent.

'(B) MEDICAL ISOTOPE.—The term ‘medical isotope’ includes Methylmercury 99, Iodine 131, Xenon 133, and other radioactive materials used to produce a radiotherapeutic for diagnostic, therapeutic procedures or for research and development.

'(C) RADIOISOPHARMACEUTICAL.—The term ‘radioisopharmaceutical’ means a radioactive iso-

'tope that—

'(i) contains byproduct material combined with chemical or biological material; and

'(ii) is designed to accumulate temporarily in a part of the body for therapeutic purposes or for enhancing the production of a useful image for use in a diagnosis of a medical condition.

'(D) RECIPENT COUNTRY.—The term ‘recipient country’ means Canada, Belgium, France, Germany, Switzerland, and United Kingdom.

'(E) LICENSES.—The Commission may issue a license authorizing the export (including shipment to and use at intermediate and ultimate destinations) of the highly enriched uranium in the possession of the recipient country of highly enriched uranium for medical isotope production if, in addition to any other requirements of this Act (except subsection a.), the Commission determines that—

'(A) the recipient country that supplies an assurance letter to the United States Government that the recommissioning activities by the Commission of the export license application has informed the United States Government that any immediate consequence specified in the application are required to use the highly enriched uranium solely to produce medical isotopes; and

'(B) the highly enriched uranium for medical isotope production will be irradiated only in a reactor in a recipient country that—

'(i) uses an alternative nuclear reactor fuel; or

'(ii) is the subject of an agreement with the United States Government to convert to an alternative reactor cores: or transfers the highly enriched uranium in a single shipment), the Commission shall impose such requirements as license conditions or through other appropriate means.

'(F) the Commission determines that additional physical protection requirements are necessary including a limit on the amount of highly enriched uranium that may be contained in a single shipment), the Commission shall impose such requirements as license conditions or through other appropriate means.

'(G) the Commission determines that the feasibility of procuring supplies of medical isotopes from commercial sources that do not use highly enriched uranium;

'(H) the current and projected demand and availability of medical isotopes in regular current domestic use;

'(I) the progress that is being made by the Department of Energy and others to eliminate all use of highly enriched uranium in reactor fuel, reactor targets, and medical isotope production facilities; and

'(J) the potential cost differential in medical isotope production in the reactors and target processing facilities if the products were derived from production systems that do not involve fuel and targets with highly enriched uranium.

'(B) FEASIBILITY.—For the purpose of this subsection, the use of low enriched uranium to produce medical isotopes shall be determined to be feasible if—

'(i) low enriched uranium targets have been developed and demonstrated for use in the reactors and target processing facilities that produce significant quantities of medical isotopes to serve United States needs for such isotopes;

'(ii) sufficient quantities of medical isotopes are available from low enriched uranium targets and fuel to meet United States domestic needs; and

'(iii) the average anticipated total cost increase from production of medical isotopes in such facilities without use of highly enriched uranium is less than 10 percent.

"(2) Energy Policy Act of 2005.—Not later than 5 years after the date of enactment of the Energy Policy Act of 2005, the Secretary shall submit to—

'(A) a report to the Congress that contains—

'(i) the findings of the National Academy of Sciences made in the study under paragraph (A); and

'(ii) the existence of any commitments from commercial producers to provide domestic requirements for medical isotopes without use of highly enriched uranium consistent with the criteria specified in paragraph (B) not later than the date that is 4 years after the date of submission of the report.
“(5) SECOND REPORT TO CONGRESS.—If the study of the National Academy of Sciences describes under paragraph (4)(A)(ii) that the procurement of supplies of medical isotopes from commercial facilities does not use highly enriched uranium is feasible, but the Secretary is unable to report the existence of commitments under paragraph (4)(C)(ii), not later than the date that is 6 years after the date of enactment of the Energy Policy Act of 2005, the Secretary shall submit to Congress a report that describes options for developing domestic supplies of medical isotopes that continue to meet domestic demand without the use of highly enriched uranium consistent with the cost increase described in paragraph (4)(B)(iii).”

(6) At such time the Department of Energy determines that commercial facilities that do not use highly enriched uranium are capable of meeting domestic requirements for medical isotopes, within the cost increase described in paragraph (4)(B)(iii), and without impairing the reliable supply of medical isotopes for domestic utilization, the Secretary shall submit to Congress a certification to that effect.

“(T) SUNSET PROVISION.—After the Secretary submits a certification under paragraph (6), the Commission shall, by rule, terminate its review of export license applications under this subsection.”

SEC. 631. SAFE DISPOSAL OF GREATER-THAN-CLASS C RADIOACTIVE WASTE.

(a) RESPONSIBILITY FOR ACTIVITIES TO PROVIDE STORAGE FACILITY.—The Secretary shall provide for the establishment of 2 projects in geographic areas that are regionally and climatically diverse to demonstrate the commercial production of hydrogen at existing nuclear power plants.

(b) REPORTS AND PLANS.—(1) REPORT TO CONGRESS.—The Secretary shall submit to Congress a plan to ensure the continued recovery and storage of greater-than-Class C low-level radioactive sealed sources that pose a security threat until a permanent disposal facility is available.

(2) BY DEPARTMENT.—The plan shall address estimated cost, resource, and facility needs.

SEC. 632. PROHIBITION ON NUCLEAR EXPORTS TO COUNTRIES THAT SPONSOR TERRORISM.

(a) IN GENERAL.—Section 129 of the Atomic Energy Act of 1954 (42 U.S.C. 2158) is amended—

(1) by striking paragraph (2); and

(b) by a new paragraph—

(1) by adding at the end of the existing paragraph—

(c) AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall submit to the Congress a certification of the Secretary for the purposes of carrying out this section not more than $100,000,000.

SEC. 633. PROHIBITION ON ASSUMPTION OF LIABILITY FOR CERTAIN FOREIGN INCIDENTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no officer of the United States or any agency, instrumentality of the United States Government may enter into any contract or agreement, or into any amendment or modification of a contract or other arrangement, the purpose or effect of which would be to expressly or indirectly impair the reliability of the United States Government, or any department, agency, or instrumentality of the United States Government, for nuclear incidents occurring in connection with the design, construction, or operation of a production facility or utilization facility in any country whose government has been identified by the Secretary of State as engaged in state sponsorship of terrorist activities (specifically including, but not limited to, the government of which has been determined by the Secretary of State on or before September 11, 2001, had been determined by the Secretary of State under section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), by section 6(f)(1) of the Arms Export Control Act of 1979 (50 U.S.C. App. 2405(j)(1)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) to have repeatedly provided support for acts of international terrorism), this section shall not apply to nuclear incidents occurring as a result of missions, carried out under the direction of the Secretary, the Secretary of Defense, or the Secretary of Energy, that are necessary to safely secure, store, transport, or remove nuclear materials for nuclear safety or nonproliferation purposes.

(b) EXPENSES.—The expenses used in this section shall have the same meaning as those terms have under section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 214), unless otherwise expressly provided in this section.

SEC. 634. DEMONSTRATION HYDROGEN PRODUCTION AT EXISTING NUCLEAR POWER PLANTS.

(a) DEMONSTRATION PROJECTS.—The Secretary shall provide for the establishment of 2 projects in geographic areas that are regionally and climatically diverse to demonstrate the commercial production of hydrogen at existing nuclear power plants.

(b) ECONOMIC ANALYSIS.—Prior to making an award under subsection (a), the Secretary shall submit to Congress a certification of the Secretary for the purposes of carrying out this section not more than $100,000,000.

SEC. 635. PROHIBITION ON ASSUMPTION OF LIABILITY FOR CERTAIN FOREIGN INCIDENTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no officer of the United States or any agency, instrumentality of the United States Government may enter into any contract or agreement, or into any amendment or modification of a contract or other arrangement, the purpose or effect of which would be to expressly or indirectly impair the reliability of the United States Government, or any department, agency, or instrumentality of the United States Government, for nuclear incidents occurring in connection with the design, construction, or operation of a production facility or utilization facility in any country whose government has been identified by the Secretary of State as engaged in state sponsorship of terrorist activities (specifically including, but not limited to, the government of which has been determined by the Secretary of State under section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), by section 6(f)(1) of the Arms Export Control Act of 1979 (50 U.S.C. App. 2405(j)(1)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) to have repeatedly provided support for acts of international terrorism), this section shall not apply to nuclear incidents occurring as a result of missions, carried out under the direction of the Secretary, the Secretary of Defense, or the Secretary of Energy, that are necessary to safely secure, store, transport, or remove nuclear materials for nuclear safety or nonproliferation purposes.

(b) EXPENSES.—The expenses used in this section shall have the same meaning as those terms have under section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 214), unless otherwise expressly provided in this section.

SEC. 636. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this subtitle and the amendments made by this subtitle.
(b) by striking paragraph (3); and
(2) in subsection (c)—
(A) by striking “and” at the end of paragraph (2)(A)(i); and
(B) after the period at the end of paragraph (2)(A)(ii), inserting and a semicolon;
(C) by adding at the end of paragraph (2)(A) the following:
“(iii) amounts appropriated to the Commission for the fiscal year for implementation of section 3116 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005; and
(iv) amounts appropriated to the Commission for homeland security activities of the Commission for the fiscal year, except for the costs of fingerprinting and background checks required by section 149 of the Atomic Energy Act of 1954 (42 U.S.C. 2169) and the costs of conducting security inspections.”;
and
(D) by striking paragraph (2)(B)(v) to read as follows:
“(v) 90 percent for fiscal year 2005 and each fiscal year thereafter.
(b) REPEAL.—Section 7601 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (42 U.S.C. 2213) is repealed.
(c) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on October 1, 2006.
SEC. 638. STANDBY SUPPORT FOR CERTAIN NUCLEAR PLANT DELAYS.
(1) ADVANCED NUCLEAR FACILITY.—The term “advanced nuclear facility” means any nuclear facility the reactor design for which is approved after December 31, 1993, by the Commission (and such design or a substantially similar design of comparable capacity was not approved on or before that date).
(2) COOKED LICENSE.—The term “combined license” means a combined construction and operating license for an advanced nuclear facility issued by the Commission.
(3) COMMISSION.—The term “Commission” means the Nuclear Regulatory Commission.
(4) SPONSOR.—The term “sponsor” means a person who has applied for or been granted a combined license.
(b) CONTRACT AUTHORITY.—
(1) IN GENERAL.—On the basis of an advanced nuclear facility subject to the delay:
(A) the failure of the Commission to comply with all applicable regulations, inspections, tests, analyses, and acceptance criteria established under the licensed combination or the conduct of preoperational hearings by the Commission for the advanced nuclear facility; or
(B) litigation that delays the commencement of full-power operations of the advanced nuclear facility;
(2) EXCLUSIONS.—The Secretary may not enter into any contract under this section that would obligate the Secretary to pay any costs resulting from—
(A) the failure of the sponsor to take any action required by law or regulation;
(B) events within the control of the sponsor; or
(C) normal business risks.
(a) COVERED COSTS.—
(1) IN GENERAL.—The costs shall be paid by the Secretary to the sponsor under a contract entered into under this section that are the results of a Federal source, which costs may be made available without further appropriation for the payment of the covered costs.
(b) NON-FEDERAL SOURCES.—The Secretary shall receive and accept payments from any non-Federal source, if the full amount of the covered costs has been paid or made available without further appropriation for the payment of the covered costs.
(2) TYPES OF COVERED COSTS.—Subject to paragraphs (2)(A) and (4), the contract entered into under this section—
(A) includes costs incurred by the advanced nuclear facility; and
(B) the incremental difference between—
(i) the fair market price of power purchased to meet the contractual supply agreements that would have been met by the advanced nuclear facility but for the delay; and
(ii) the contractual price of power from the advanced nuclear facility subject to the delay.
(c) REQUIREMENTS.—Any contract between a sponsor and the Secretary covering an advanced nuclear facility under this section shall require the sponsor to use due diligence to shorten, and to end, the delay covered by the contract.
(d) REGULATIONS.—For each advanced nuclear facility that is covered by a contract under this section, the Commission shall submit to Congress and the Secretary quarterly reports summarizing the status of licensing actions associated with the advanced nuclear facility.
SEC. 639. CONFLICTS OF INTEREST RELATING TO CONTRACTS AND OTHER ARRANGEMENTS.
(a) DEPARTMENTAL MANAGEMENT.—The Secretary shall establish a project to be known as the “Next Generation Nuclear Plant Project” (referred to in this subtitle as the “Project”).
(b) CONTEXT.—The Project shall consist of the research, development, design, construction, and operation of a prototype plant, including a nuclear reactor that—
(1) is based on research and development activities supported by the Generation IV Nuclear Energy Systems Initiative under section 942(d); and
(2) shall be used—
(A) to produce electric energy;
(B) to produce hydrogen; or
(C) to generate electric energy and to produce hydrogen.
(c) PROJECT MANAGEMENT.—The Project shall be managed in the Department by the Office of Nuclear Energy, Science, and Technology.
(d) EXPANDING DOR PROJECT MANAGEMENT EXPERTISE.—The Secretary shall need capabilities for review of construction projects for advanced scientific facilities within the Office of Science to track the progress of the Project.
(e) LEAD LABORATORY.—The Idaho National Laboratory shall be the lead National Laboratory for the Project and shall collaborate with other National Laboratories, institutions of higher education, other research institutes, industrial researchers, and international research-ers on costs for a Project which shall be cost-shared research, development, design, and construction activities, and operate research facilities, on behalf of the Project.
(f) COST-SHARING.—The costs of industrial partners funded by the Project shall be cost-shared in accordance with section 988.
PROJ. ORG. — The Project shall consist of the following major program elements:

(1) High-temperature hydrogen production technology development and validation.

(2) Energy conversion technology development and validation.

(3) Nuclear fuel development, characterization, and qualification.

(4) Reactor and balance-of-plant design, engineering, safety analysis, and qualification.

(5) Project Phases. — The Project shall be conducted in the following phases:

(A) Initial Review. — The Secretary shall submit to the appropriate committees of Congress a report containing the Secretary’s preliminary views of the Project and by the Secretary.

(B) Additional Expertise. — The NERAC shall develop the expertise of the NERAC or appoint subpanels to incorporate into the review by the NERAC the relevant sources of expertise described under paragraph (1).

(C) Initial Review. — Not later than 180 days after the date of enactment of this Act, the NERAC shall:

(i) review existing program plans for the Project in light of the recommendations of the document entitled “Design Features and Technology Uncertainties for the Next Generation Nuclear Plant,” dated June 30, 2004; and

(ii) address any recommendations of the document not incorporated in program plans for the Project.

(D) First Project Phase Review. — On a determination by the Secretary that the appropriate activities under the first project phase are nearly complete, the Secretary shall request the NERAC to conduct a comprehensive review of the Project and to report to the Secretary the recommendation of the NERAC concerning whether the Project is ready to proceed to the second project phase under subpart (b)(2).

(E) Transmittal of Reports to Congress. — Not later than 60 days after receiving any report from the NERAC related to the Project, the Secretary shall submit to the appropriate committees of the Senate and the House of Representatives a copy of the report, along with any additional views of the Secretary that the Secretary may consider appropriate.

SEC. 644. NUCLEAR REGULATORY COMMISSION.

(A) In General. — The Nuclear Regulatory Commission shall have licensing and regulatory authority for any reactor authorized under this subchapter.

(B) Licensing Strategy. — Not later than 3 years after the date of enactment of this Act, the Secretary and the Administrator of the Nuclear Regulatory Commission shall jointly submit to the appropriate committees of the Senate and the House of Representatives a licensing strategy for the prototype nuclear reactor, including:

(i) a description of ways in which current licensing requirements relating to light-water reactors need to be adapted for the types of prototype nuclear reactor being considered by the Project;

(ii) a description of analytical tools that the Nuclear Regulatory Commission will have to develop to independently verify designs and performance characteristics of components, equipment, and systems associated with the prototype nuclear reactor; and

(iii) a description of research and development activities that may be required by the NRC in order to ensure that the nuclear reactor is safe and effective.

(C) Fees. — The Nuclear Regulatory Commission shall collect the fees authorized by law from the appropriate party to defray the cost of reviewing and conducting license applications.

D. PROJECT TIMELINES AND AUTHORIZATION OF APPROPRIATIONS.

(A) Target Date to Complete the First Project Phase. — Not later than September 30, 2011, the Secretary shall:

(i) select the technology to be used by the Project to construct a high-temperature hydrogen production and the initial design parameters for the prototype nuclear reactor; or

(ii) submit to Congress a report establishing an alternative date for making the selection.

(B) Design Competition for Second Project Phase. —

(i) In General. — The Secretary, through the Idaho National Laboratory, shall conduct a design competition to select the lead industrial partner of the Project in light of the recommendations of the Generation IV International Forum, dated June 30, 2004; and

(ii) address any recommendations of the document not incorporated in program plans for the Project.

(C) Target Date to Complete Project Construction. — Not later than September 30, 2021, the Secretary shall:

(i) complete construction and operation of the prototype nuclear reactor and its associated facilities.

(ii) submit to Congress a report establishing an alternative date for completing construction.

SEC. 651. NUCLEAR FACILITY AND MATERIALS SECURITY.

(A) Security Evaluations; Design Basis Threat Rulemaking. —

(i) In General. — Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by section 624(a)) is amended by adding at the end the following:

“SEC. 170D. SECURITY EVALUATIONS.

‘‘(a) Security Evaluations; Design Basis Threat Rulemaking.—

(i) In General. — Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by section 624(a)) is amended by adding at the end the following:

‘‘SEC. 170D. SECURITY EVALUATIONS. —

(i) Security Response Evaluations. — Not later than once every 3 years the Nuclear Regulatory Commission shall conduct security evaluations at each licensed facility that is part of a class of licensed facilities, as the Commission considers to be appropriate to assess the adequacy of the security force of a licensed facility to defend against any applicable design basis threat.”
"b. FORCE-ON-FORCE EXERCISES.—(1) The security evaluations shall include force-on-force exercises.

(2) The force-on-force exercises shall, to the maximum extent possible, simulate security threats in accordance with any design basis threat applicable to a facility.

(3) In conducting a security evaluation, the Commission shall avoid any potential conflict of interest that could influence the results of a force-on-force exercise, as the Commission determines to be necessary and appropriate.

"c. LICENSING.—The Commission shall ensure that an affected licensee corrects those material defects in performance that adversely affect the ability of a private security force to defend against any applicable design basis threat.

"d. FACILITIES UNDER HEIGHTENED THREAT LEVELS.—The Commission may suspend a security evaluation under this section if the Commission determines that the evaluation would compromise security at a nuclear facility under a heightened threat level.

"e. REPORT.—Not less often than once each year, the Commission shall submit to the Committee on Energy and Commerce of the House of Representatives a report, in classified form and unclassified form, that describes the results of each security response evaluation conducted and any relevant corrective action taken by a licensee during the previous year.

**SEC. 170E. DESIGN BASIS THREAT RULEMAKING.**

"a. RULEMAKING.—The Commission shall—

(1) not later than 18 months after the date of enactment of this section, initiate a rulemaking proceeding, including notice and opportunity for public comment, to be completed not later than 2 years after the date of enactment of this section, to revise the design basis threats of the Commission; or

(2) not later than 18 months after the date of enactment of this section, complete any ongoing rulemaking related to the design basis threats.

"b. FACTORS.—When conducting its rulemaking, the Commission shall consider the following, but not be limited to:

(1) the events of September 11, 2001;

(2) an assessment of physical, cyber, biochemical, and other terrorist threats;

(3) the potential for attack on facilities by multiple coordinated teams of a large number of individuals;

(4) the potential for assistance in an attack from an insider with access to a facility;

(5) the potential for suicide attacks;

(6) the potential for water-based and air-based threats;

(7) the potential utility of explosive devices of considerable size and other modern weaponry;

(8) the potential for attacks by persons with a sophisticated knowledge of facility operations;

(9) the potential for fires, especially fires of long duration;

(10) the potential for attacks on spent fuel shipments by multiple coordinated teams of a large number of individuals;

(11) the adequacy of planning to protect the public health and safety at and around nuclear facilities, as appropriate, in the event of a terrorist attack on the nuclear facility.

(12) the potential for theft and diversion of nuclear materials from such facilities.

"c. CONFORMING AMENDMENT.—The table of sections of the Atomic Energy Act of 1954 (42 U.S.C. 2011) is amended by adding a new section, to be known as "the A 503a Security Program".

"d. RULEMAKING.—The Commission may purchase promotional items of nominal value for use in the recruitment of individuals for employment.

"e. EXPENSES AUTHORIZED TO BE PAID BY THE COMMISSION.—The Commission may purchase promotional items of nominal value for use in the recruitment of individuals for employment.

"f. EXPENSES AUTHORIZED TO BE PAID BY THE COMMISSION.—The Commission may purchase promotional items of nominal value for use in the recruitment of individuals for employment.

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**SEC. 170G. EXPENSES AUTHORIZED TO BE PAID BY THE COMMISSION.**

"a. Definitions.—In this section:


"(2) RADIATION SOURCE.—The term 'radiation source' means—

(A) a Category 1 Source or a Category 2 Source, as defined in the Code of Conduct; and

(B) any other material that poses a threat such that the material is subject to this section, as determined by the Commission, by regulation, other than spent nuclear fuel and special nuclear materials.

"b. COMMISSION APPROVAL.—Not later than 180 days after the date of enactment of this section, the Commission shall issue regulations prohibiting a person from—

(1) exporting a radiation source, unless the Commission has accepted the application (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1001(a)(1)) in accordance with the Code of Conduct, with respect to the educational, that—
(A) the recipient of the radiation source may receive and possess the radiation source under the laws and regulations of the country of the recipient; (B) the recipient country has the appropriate technical, administrative, and regulatory structure to ensure that the radiation source will be managed in a safe and secure manner; and (C) before the date on which the radiation source is shipped— (i) a notification has been provided to the recipient country; (ii) a notification has been received from the recipient country; and (iii) the recipient country has determined to be appropriate; (2) importing a radiation source, unless the Commission has determined, with respect to the importation, that— (A) the proposed recipient is authorized under law to receive the radiation source; and (B) the shipment will be made in accordance with any applicable Federal or State law or regulation; and (3) selling or otherwise transferring ownership of a radiation source, unless the Commission— (A) has determined that the licensee has verified that the proposed recipient is authorized under law to receive the radiation source; and (B) has required that the transfer shall be made in accordance with any applicable Federal or State law or regulation.

(c) (1) (A) Not later than 1 year after the date of enactment of this section, the Commission shall issue regulations establishing a mandatory tracking system for radiation sources in the United States. (B) In establishing the tracking system under subparagraph (A), the Commission shall coordinate with the Secretary of Transportation to ensure that the tracking system is practicable, between the tracking system and any system established by the Secretary of Transportation to track the shipment of radiation sources. (2) The tracking system under paragraph (1) shall— (A) enable the identification of each radiation source by serial number or other unique identifier; (B) require reporting within 7 days of any change of possession of a radiation source; (C) require reporting within 24 hours any loss of control of, or accountability for, a radiation source; and (D) provide for reporting under subparagraph (B) and (C) through a secure Internet connection.

(d) PENALTY.—A violation of a regulation issued under subsection (a) or (b) shall be punishable by a civil penalty not to exceed $1,000,000.

(e) NATIONAL ACADEMY OF SCIENCES STUDY.— (1) Not later than 60 days after the date of enactment of this section, the Commission shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of industrial, research, and commercial uses for radiation sources.

(2) The study under paragraph (1) shall include a review of uses of radiation sources in existence on the date on which the study is conducted, including an identification of any industrial or other process that— (A) uses a radiation source that could be re-purposed or reconfigured for harm to human health and the environment in the event of an accident or attack involving the radiation source. (B) may be used with a radiation source that would result in an excessive risk to public health and safety in the event of an accident or attack involving the radiation source. (C) Not later than 2 years after the date of enactment of this section, the Commission shall submit to Congress the results of the study under paragraph (1).

(f) TASK FORCE ON RADIATION SOURCE PROTECTION AND SECURITY.—(1) There is established a task force on radiation source protection and security (referred to in this section as the ‘‘task force’’). (2)(A) The chairperson of the task force shall be the Chairperson of the Commission (or a designee). (B) The membership of the task force shall consist of the following: (i) The Secretary of Homeland Security (or a designee). (ii) The Secretary of Defense (or a designee). (iii) The Secretary of Energy (or a designee). (iv) The Secretary of Transportation (or a designee). (v) The Attorney General (or a designee). (vi) The Secretary of State (or a designee). (vii) The Director of National Intelligence (or a designee). (viii) The Director of the Central Intelligence Agency (or a designee). (ix) The Director of the Federal Emergency Management Agency (or a designee). (x) The Administrator of the Environmental Protection Agency (or a designee). (3)(A) The task force, in consultation with Federal, State, and local agencies, the Conference of Radiation Control Program Directors, and the Organization of Agreement States, and after public notice and an opportunity for comment, shall make recommendations relating to the security of radiation sources in the United States from potential terrorist threats, including acts of sabotage, theft, or use of a radiation source in a radiological dispersal device. (B) Not later than 1 year after the date of enactment of this section, and not less than 30 days after the date the task force shall submit to Congress and the President a report, in unclassified form with a classified annex if necessary, providing recommendations, including recommendations for appropriate regulatory and legislative changes, for— (i) a list of additional radiation sources that should be required to be secured under this Act, based on the potential attractiveness of the sources to terrorists and the extent of the threat to public health and safety of the sources, taking into consideration— (I) radiation source radioactivity levels; (II) radioactive half-life of a radiation source; (III) dispersability; (IV) chemical and material form; (V) for radioactive materials with a medical use, the availability of the sources to physicians and patients for treatment; and (VI) any other factor that the Chairperson of the Commission determines to be appropriate; (ii) the establishment of, or modifications to, a national system for recovery of lost or stolen radiation sources; (iii) the storage of radiation sources that are not used in a safe and secure manner as of the date on which the report is submitted; (iv) modifications to the national tracking system for radiation sources; (v) the establishment, or modifications to, a national system (including user fees and other methods) to provide for the proper disposal of radiation sources disposed under this Act; (vi) modifications to export controls on radiation sources to ensure that foreign recipients of radiation sources are able to sell and trade in an appropriate manner; and (vii) any alternative technologies available as of the date on which the report is submitted that may provide for the functions performed by devices or processes that employ radiation sources; and (iii)(I) the establishment of appropriate regulations and standards establishing the replacement of the devices and processes described in subclause (I)— (aa) with alternative technologies in order to reduce the number of radiation sources in the United States; or (bb) with radiation sources that would pose a lesser risk to public health and safety in the event of an accident or attack involving the radiation source; and (iiii) the creation of, or modifications to, procedures for improving the security of use, transportation, and storage of radiation sources, including— (I) periodic audits or inspections by the Commission to ensure that radiation sources are properly secured and can be fully accounted for; (II) evaluation of the security measures by the Commission; (III) increased fines for violations of Commission regulations relating to security and safety measures applicable to licensees that possess radiation sources; (IV) criminal and security background checks for certain individuals with access to radiation sources (including individuals involved with transporting radiation sources); (V) requirements for effective and timely exchanges of information relating to the results of criminal and security background checks between the Commission and any State with which the Commission has entered into an agreement under section 274 b.; (VI) assurances that the technical and administrative capability, to the maximum extent practicable, between the tracking system and any system established by the Secretary of Transportation to track the shipment of radiation sources, and (VII) the screening of shipments to facilities that the Commission determines to be particularly at risk at sabotage of radiation sources to ensure that the shipments do not contain exploitable radioactive material. (g) ACTION BY COMMISSION.—Not later than 60 days after the date of receipt by Congress and the President of a report under subsection f.(3)(B), the Commission, in consultation with the recommendations of the task force, shall— (1) take any action the Commission determines to be appropriate, including revising the system of the Commission for licensing radiation sources; and (2) ensure that States that have entered into agreements with the Commission under section 274 b. take similar action in a timely manner.

(h) CONFORMING AMENDMENT.—The table of sections of the Atomic Energy Act of 1954 (42 U.S.C. prec. 2011) (as amended by subsection (c)(5)(A)) is amended by adding at the end of the items relating to chapter 14 the following: "Sec. 170H. Radiation source protection.".

(i) TREATMENT OF ACCELERATOR-PRODUCED AND OTHER RADIOACTIVE MATERIAL AS BYPRODUCT MATERIAL.— (1) DEFINITION OF BYPRODUCT MATERIAL.—Section 11 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2011e) is amended— (A) by striking "means (1) any radioactive" and inserting the following: "means— (1) any radioactive"; (B) by striking "material, and (2) the" (2) the "tailings" and inserting the following: "material; (2) the tailings"; (C) by striking "content," and inserting the following: "content and; (3)(A) any discrete source of radium-226 that is produced, extracted, or converted after extraction, before, on, or after the date of enactment of this paragraph for use for a commercial, medical, or research activity; or (B) any material that— (i) has been made radioactive by use of a particle accelerator; and (ii) is produced, extracted, or converted after extraction, before, on, or after the date of enactment of this paragraph for use for a commercial, medical, or research activity; and (4) any discrete source of naturally occurring radioactive material, other than source material (as defined in subsection (d)(1)(A)) in the United States; or (a) the Commission, in consultation with the Administrator of the Environmental Protection Protection...
Agency, the Secretary of Energy, the Secretary of Homeland Security, and the head of any other appropriate Federal agency, determines would pose a threat similar to the threat posed by a document of high priority or containing information that is essential to national defense or foreign policy; and

"(B) before, on, or after the date of enactment of this Act, the Commission, after consultation with States and other stakeholders, shall issue final regulations establishing such requirements as the Commission determines to be necessary to carry out this section and the amendments made by this section.

(ii) INCLUSIONS.—The regulations shall include a definition of the term ‘discrete source’ for purposes of section 11e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)) (as amended by paragraph (1)).

(B) Cooperating regulations under paragraph (1), the Commission shall, to the maximum extent practicable—

(i) cooperate with States; and

(ii) use models consistent with an existence on the date of enactment of this Act.

(C) TRANSITION PLAN.—

(i) DEFINITION OF BYPRODUCT MATERIAL.—In this paragraph, the term ‘byproduct material’ has the meaning given the term in paragraphs (3) and (4) of section 11e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)) (as amended by paragraph (1)).

(ii) PREPARATION AND PUBLICATION.—To facilitate an orderly transition of regulatory authority with respect to byproduct material, the Commission, in issuing regulations under subparagraph (A), shall prepare and publish a transition plan for—

(I) States that have not, before the date on which the plan is published, entered into an agreement with the Commission under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b))

(ii) is licensed by a State that has entered an agreement with the Commission under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)) after the date on which the plan is published; and

(iii) the transition plan under clause (ii) shall include—

(II) a description of the conditions under which a State may exercise authority over byproduct material; and

(II) a statement of the Commission that any agreement covering byproduct material, as defined in paragraphs (3) or (4), shall be considered included in byproduct material, as defined in paragraph (3) or (4) of section 11e. of that Act (42 U.S.C. 2014(e)) (as amended by paragraph (1))

(A) by striking any requirement under the amendments made by section 142 or (3) of section 147.

(B) The Commission shall require to be disposed of in a disposal facility that—

(1) is adequate to protect public health and safety; and

(2) Source materials.

(3) Special nuclear materials in quantities necessary to support critical mass.

(4) Waste disposal.

(A) Domestic distribution.—Section 81 of the Atomic Energy Act of 1954 (42 U.S.C. 2111) is amended—

(i) by striking ‘‘No person may’’ and inserting the following:

‘‘a. In General.—No person may’’;

(ii) by adding at the end the following:

‘‘b. Requirements.—

(1) In General.—Except as provided in paragraphs (3) and (4) of section 11e., disposed of under this section shall not be considered to be low-level radioactive waste for the purposes of—

(I) section 2 of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b); or

(ii) carrying out a compact that is—

(A) entered into in accordance with that Act (42 U.S.C. 2021b et seq.); and

(B) approved by Congress.

(B) Definition of low-level radioactive waste.—Section 2(9) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b) is amended—

(i) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesigning clause (i) (as redesignated by subparagraph (A)) by striking ‘‘The term’’ and inserting the following:

‘‘(A) In General.—The term’’; and

(iii) by adding at the end the following:

‘‘(B) Exclusion.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in paragraphs (3) and (4) of section 11e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)).’’.

(C) Final regulations.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Commission, after consultation with States and other stakeholders, shall issue final regulations establishing such requirements as the Commission determines to be necessary to carry out this section and the amendments made by this section.

(ii) a matter relating to an importation into, or exportation from, the United States for a period ending after the date that is 1 year after the date of enactment of this Act; or

(iii) if the waiver is in accordance with the protection of the public health and safety, as determined by the Commission.

(D) Availability of radiopharmaceuticals.—In promulgating regulations under subparagraph (A), the Commission shall consider the impact on the availability of radiopharmaceuticals to—

(i) physicians;

(ii) patients the medical treatment of which relies on radiopharmaceuticals.

(5) WARRIORS.—

(A) In General.—Except as provided in subparagraph (B), the Commission may grant a waiver to any entity to any requirement under this section or an amendment made by this section with respect to byproduct material (as defined in paragraphs (3) and (4) of section 11e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)) (as amended by paragraph (1)) if the Commission determines that the waiver is in accordance with the protection of the public health and safety and the promotion of the common defense and security.

(B) Exception.—

(i) In General.—The Commission may not grant a waiver under subparagraph (A) with respect to—

(I) any requirement under the amendments made by subsection (c)(1);

(II) a matter relating to an importation into, or exportation from, the United States for a period ending after the date that is 4 years after the date of enactment of this Act.

(C) Cooperating regulations.—The Commission shall enter into an agreement with the Commission under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)) (as amended by subparagraph (A)) if the Commission determines that—

(i) the agreement described in subclause (I) cooperates with States; and

(ii) the agreement described in subclause (I) is licensed by a State that has entered into an agreement with the Commission under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)) (as amended by paragraph (1)); and

(iii) the program of the State for licensing such byproduct material is adequate to protect the public health and safety.

(D) Publication.—The Commission shall publish in the Federal Register a notice of any waiver granted under this subsection.
SEC. 654. UNAUTHORIZED INTRODUCTION OF DANGEROUS WEAPONS.

Section 229 of the Atomic Energy Act of 1954 (42 U.S.C. 2285) is amended—

(1) by striking "SEC. 229, TRESPASS UPON COMMISSION INSTALLATIONS.—" and inserting the following:

"SEC. 229. TRESPASS ON COMMISSION INSTALLATIONS.;"

(2) by adjusting the indentations of subsections a., b., and c. so as to reflect proper subsection indentation and

(3) in subsection a.,

(A) in the first sentence, by striking "a. The" and inserting the following:

"a.(1) The;"

(B) in the second sentence, by striking "Every" and inserting the following:

"i) by striking "or in the custody" and inserting "or to; and"

(ii) by inserting "or to the licensing authority of the Commission or certification by the Commission under this Act or any other Act" before the period.

SEC. 655. SUBDIVISION OF NUCLEAR FACILITIES, FUEL, OR DESIGNATED MATERIAL.

(a) IN GENERAL.—Section 236a. of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)) is amended by adding at the end of the section (a) of this section.

(b) REGULATIONS.—The Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or combinations of individuals, items, or substances through the protection of public health and safety and the common defense and security, and are appropriate exceptions to the requirements of section 236 of the Atomic Energy Act of 1954, as added by subsection (a) of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect upon the issuance of regulations under subsection (b), except that the background check requirement shall become effective on a date established by the Commission.

(d) EFFECT ON OTHER LAW.—Nothing in this section or the amendment made by this section shall affect, modify, amend, or repeal the application of—

(1) the Atomic Energy Act of 1954, as added by section 651(d)(1) of this Act, or

(2) any other law that directs or permits the regulation of such materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranium elements, and low-level radioactive waste (as defined in section 216 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101))."

(b) REGULATIONS.—Not later than 1 year after the date of the enactment of this Act, and from time to time thereafter as it considers necessary, the Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or combinations of individuals, items, or substances through the protection of public health and safety and the common defense and security, and are appropriate exceptions to the requirements of section 236 of the Atomic Energy Act of 1954, as added by subsection (a) of this section.

SEC. 701. USE OF ALTERNATIVE FUELS BY DUAL-FUELED VEHICLES.

(a) A MENDMENT.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2281–2291(h)) is amended by adding at the end the following new section:

"SEC. 1701. SECURE TRANSFER OF NUCLEAR MATERIALS.

(a) AMENDMENT.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2281–2291(h)) is amended by adding at the end the following new section:

"SEC. 1701. SECURE TRANSFER OF NUCLEAR MATERIALS.

(a) The Commission shall establish a system to ensure that materials described in subsection b. when transferred or received in the United States by any party pursuant to an import or export license issued pursuant to this Act, are subject to secure transfer and that the type and amount of materials being transferred or received, each individual receiving or accompanying the transfer of such materials shall be subject to a security background check conducted by appropriate Federal entities.

(b) Except as otherwise provided by the Commission by regulation, the materials referred to in subsection a. are byproduct materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranium elements, and low-level radioactive waste (as defined in section 216 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101))."

(b) REGULATIONS.—Not later than 1 year after the date of the enactment of this Act, and from time to time thereafter as it considers necessary, the Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or combinations of individuals, items, or substances through the protection of public health and safety and the common defense and security, and are appropriate exceptions to the requirements of section 236 of the Atomic Energy Act of 1954, as added by subsection (a) of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect upon the issuance of regulations under subsection (b), except that the background check requirement shall become effective on a date established by the Commission.

(d) EFFECT ON OTHER LAW.—Nothing in this section or the amendment made by this section shall affect, modify, amend, or repeal the application of—

(1) the Atomic Energy Act of 1954, as added by section 651(d)(1) of this Act, or

(2) any other law that directs or permits the regulation of such materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranium elements, and low-level radioactive waste (as defined in section 216 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101))."

Sec. 236a. of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)) is amended by adding at the end of the section (a) of this section.

(b) REGULATIONS.—The Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or combinations of individuals, items, or substances through the protection of public health and safety and the common defense and security, and are appropriate exceptions to the requirements of section 236 of the Atomic Energy Act of 1954, as added by subsection (a) of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect upon the issuance of regulations under subsection (b), except that the background check requirement shall become effective on a date established by the Commission.

(d) EFFECT ON OTHER LAW.—Nothing in this section or the amendment made by this section shall affect, modify, amend, or repeal the application of—

(1) the Atomic Energy Act of 1954, as added by section 651(d)(1) of this Act, or

(2) any other law that directs or permits the regulation of such materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranium elements, and low-level radioactive waste (as defined in section 216 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101))."

(b) REGULATIONS.—Not later than 1 year after the date of the enactment of this Act, and from time to time thereafter as it considers necessary, the Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or combinations of individuals, items, or substances through the protection of public health and safety and the common defense and security, and are appropriate exceptions to the requirements of section 236 of the Atomic Energy Act of 1954, as added by subsection (a) of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect upon the issuance of regulations under subsection (b), except that the background check requirement shall become effective on a date established by the Commission.

(d) EFFECT ON OTHER LAW.—Nothing in this section or the amendment made by this section shall affect, modify, amend, or repeal the application of—

(1) the Atomic Energy Act of 1954, as added by section 651(d)(1) of this Act, or

(2) any other law that directs or permits the regulation of such materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranium elements, and low-level radioactive waste (as defined in section 216 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101))."
certified to the Secretary by the head of the agency.

"(III) The Secretary shall monitor compliance with this subparagraph by all such fleets and shall report annually to Congress on the extent to which the requirements of this subparagraph are being achieved. The report shall include information on annual reductions achieved from the use of petroleum-based fuels and the problems, if any, encountered in acquiring alternative fuels.

SEC. 702. INCREMENTAL COST ALLOCATION.

Section 310 of the Energy Policy Act of 1992 (42 U.S.C. 13212(c)) is amended by striking "may" and inserting "shall".

SEC. 703. ALTERNATIVE COMPLIANCE AND FLEXIBILITY.

(a) ALTERNATIVE COMPLIANCE.—Title V of the Energy Policy Act of 1992 (42 U.S.C. 13251 et seq.) is amended—

(1) by redesignating section 514 (42 U.S.C. 13264) as section 515; and

(2) by inserting after section 513 (42 U.S.C. 13263) the following:

SEC. 514. ALTERNATIVE COMPLIANCE.

(a) APPLICATION FOR WAIVER.—Any covered person subject to section 501 and any State subject to section 507(o) may petition the Secretary for a waiver of the applicable requirements of section 511 or 507.

(b) GRANT OF WAIVER.—The Secretary shall grant a waiver of the requirements of section 511 or 507—

(1) that the waiver is in compliance with all applicable laws; and

(2) that the waiver is in the public interest.

(c) GRANTS.

The Secretary shall establish a program to improve technologies for transportation in alternative fueled vehicles, hybrid vehicles, or fuel cell vehicles, including vehicles directly used in the emergency repair of transmission lines and in the replacement of diesel powered vehicles used for emergency outages, as determined by the Secretary.

Title VI—Hybrid Vehicles, Advanced Vehicles, and Fuel Cell Buses

PART I—HYBRID VEHICLES

SEC. 711. HYBRID VEHICLES.

The Secretary shall accelerate efforts directed toward the improvement of batteries and other rechargeable energy storage systems, power electronics, hybrid systems integration, and other technologies for use in hybrid vehicles.

SEC. 712. EFFICIENT HYBRID AND ADVANCED DIESEL VEHICLES.

(a) PROGRAM.—The Secretary shall establish a program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles. The program shall include grants to automobile manufacturers to encourage domestic production of efficient hybrid and advanced diesel vehicles.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this program $20,000,000 for fiscal year 2006 through 2010.

PART II—ADVANCED VEHICLES

SEC. 721. PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in consultation with the Secretary of Transportation, shall establish a competitive grant pilot program to demonstrate the feasibility and cost-effectiveness of advanced vehicle technologies.

(b) GRANT PURPOSES.—A grant under this section may be used for the following purposes:

(1) acquisition of alternative fueled vehicles or fuel cell vehicles, including—

(A) passenger vehicles (including neighborhood electric vehicles); and

(B) motorized two-wheeled bicycles or other vehicles for use by law enforcement personnel or other State or local government or metropolitan transportation authority employees.

(c) ELIGIBILITY.—Any passenger vehicle (including neighborhood electric vehicles) or fuel cell vehicle acquired under this section may be used for the following purposes:

(1) The acquisition of alternative fueled vehicles, hybrid vehicles, or fuel cell vehicles, including—

...
(A) buses used for public transportation or transportation to and from schools; (B) delivery vehicles for goods or services; and (C) ground support vehicles at public airports (including vehicles that push or pull airplanes toward or away from terminal gates).

(3) The acquisition of ultra-low sulfur diesel vehicles.

(4) Installation or acquisition of infrastructure necessary to directly support an alternative fueled vehicle, fuel cell vehicle, or hybrid vehicle project funded by a grant, including fueling and other support equipment.

(5) Operation and maintenance of vehicles, infrastructure and equipment acquired as part of a project funded by the grant.

(c) APPLICATIONS.—

(1) REQUIREMENTS.—(A) The Secretary shall require that an application for grants under the pilot program:

(i) be submitted by the head of a State or local government or a metropolitan transportation authority, for any combination thereof, and a registered participant in the Clean Cities Program of the Department; and

(ii) include:

(I) a description of the project proposed in the application, including how the project meets the requirements of this part; (II) an estimate of the ridership or degree of use of the project; (III) an estimate of the air pollution emissions reduced and fossil fuel displaced as a result of the project, and a plan to collect and disseminate environment data, related to the project to be funded under the grant, over the life of the project; (IV) a description of how the project will be sustainable without Federal assistance after the completion of the term of the grant; (V) a complete description of the costs of the project, including acquisition, construction, operations, and maintenance costs over the expected life of the project; (VI) a description of which costs of the project will be supported by Federal assistance under this part; and (VII) documentation to the satisfaction of the Secretary that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the project, and a commitment by the applicant to use such fuel in carrying out the project.

(2) PARTNERS.—An applicant under paragraph (1) may carry out a project under the pilot program in partnership with public and private entities.

(d) SELECTION CRITERIA.—In evaluating applications under the pilot program, the Secretary shall—

(1) consider each applicant's previous experience with similar projects; and

(2) give priority consideration to applications that—

(A) are most likely to maximize protection of the environment; (B) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this part is completed; and (C) exceed the minimum requirements of subsection (d)(1)(B)(ii).

(e) PILOT PROJECT REQUIREMENTS.—

(1) MAXIMUM AMOUNT.—The Secretary shall not fund any applicant under the pilot program for more than 5 years.

(2) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall establish an extent practicable to ensure a geographic distribution of project sites.

(3) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(f) SCHEDULE.—(1) PUBLICATION.—Not later than 90 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register, Commerce Business Daily, and elsewhere as appropriate, a request for applications to undertake projects under the pilot program. Applications shall be due not later than 180 days after the date of publication of the notice.

(2) SELECTION.—Not later than 180 days after the date by which applications are due, the Secretary shall select competitive, peer reviewed proposal, all applications for projects to be awarded a grant under the pilot program.

(g) DEFINITIONS.—For purposes of carrying out the pilot program, the Secretary shall issue regulations defining any term, as the Secretary determines to be necessary.

SEC. 722. REPORTS TO CONGRESS.

(a) INITIAL REPORT.—Not less than 60 days after the date on which grants are awarded under this part, the Secretary shall submit to Congress a report containing—

(1) an identification of all grant recipients and a description of the projects to be funded; (2) an identification of other applicants that submitted applications for the pilot program; and (3) a description of the mechanisms used by the Secretary to ensure the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(b) EVALUATION.—Not later than 3 years after the date of enactment of this Act, and annually thereafter until the pilot program ends, the Secretary shall submit to Congress a report maintaining an evaluation of the effectiveness of the pilot program, including—

(1) an assessment of the benefits to the environment derived from the projects included in the pilot program; and (2) an estimate of the potential benefits to the environment from the widespread application of alternative fueled vehicles and ultra-low sulfur diesel vehicles.

SEC. 723. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this part $200,000,000, to remain available until expended.

PART 3—FUEL CELL BUSES

SEC. 731. FUEL CELL TRANSIT BUS DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Transportation, shall establish a transit bus demonstration program to make competitive, merit-based awards for 5-year projects to demonstrate not more than 25 fuel cell transit buses (and necessary infrastructure) in 5 geographically dispersed localities.

(b) PREFERENCE.—In selecting projects under this section, the Secretary shall give preference to projects that are most likely to mitigate congestion and improve air quality.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this program $10,000,000 for each of fiscal years 2006 through 2010.

Subtitle C—Clean School Buses

SEC. 741. CLEAN SCHOOL BUS PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) ALTERNATIVE FUEL.—The term "alternative fuel" means a fuel that contains sulfur at not more than 15 parts per million.

(3) MAXIMUM PERIOD OF GRANTS.—The Secretary shall not fund any applicant under the pilot program for more than 5 years.

(4) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall establish an extent practicable to ensure a geographic distribution of project sites.

(5) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(6) ULTRA LOW SULFUR DIESEL FUEL.—The term "ultra-low sulfur diesel fuel" means diesel fuel containing sulfur at not more than 15 parts per million.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator $10,000,000 for each of fiscal years 2006 through 2010.

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(2) ALTERNATIVE FUEL.—The term "alternative fuel" means a fuel that contains sulfur at not more than 15 parts per million.

(3) MAXIMUM PERIOD OF GRANTS.—The Secretary shall not fund any applicant under the pilot program for more than 5 years.

(4) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall establish an extent practicable to ensure a geographic distribution of project sites.

(5) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(6) ULTRA LOW SULFUR DIESEL FUEL.—The term "ultra-low sulfur diesel fuel" means diesel fuel containing sulfur at not more than 15 parts per million.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator $10,000,000 for each of fiscal years 2006 through 2010.
(B) MAINTENANCE, OPERATION, AND FUELING.—
New school buses and retrofit technology shall be maintained, operated, and fueled according to manufacturer recommendations or State requirements.

(4) RETROFIT GRANTS.—The Administrator may award grants for up to 100 percent of the retrofit technologies and installation costs.

(B) ELIGIBILITY FOR 50 PERCENT GRANTS.—The Administrator may award grants for replacement of school buses in the amount of up to 50 percent of the acquisition costs (including fueling infrastructure) for—

(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—

(1) 1.8 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and

(II) 0.1 grams per brake horsepower-hour of particulate matter; or

(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter to be applicable for school buses manufactured in model year 2010.

(B) ELIGIBILITY FOR 25 PERCENT GRANTS.—The Administrator may award grants for replacement of school buses in the amount of up to 25 percent of the acquisition costs (including fueling infrastructure) for—

(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—

(1) 2.5 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and

(II) 0.1 grams per brake horsepower-hour of particulate matter; or

(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter from school buses manufactured in that model year.

(6) ULTRA LOW SULFUR DIESEL FUEL.—

(A) IN GENERAL.—In the case of a grant recipient receiving a grant for the acquisition of ultra-low sulfur diesel fuel school buses with engines manufactured in model year 2005 or 2006, the grant recipient shall provide, to the satisfaction of the Administrator—

(i) documentation that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the purposes of the grant; and

(ii) a commitment by the applicant to use that fuel in carrying out the purposes of the grant.

(7) DEPLOYMENT AND DISTRIBUTION.—The Administrator shall, to the maximum extent practicable—

(A) achieve nationwide deployment of clean school buses through the program under this section; and

(B) locate a broad geographic distribution of grant awards, with no State receiving more than 10 percent of the grant funding made available under this section during a fiscal year.

(A) IN GENERAL.—Not later than January 31 of each year, the Administrator shall submit to Congress a report that—

(i) evaluates the implementation of this section; and

(ii) describes—

(1) the total number of grant applications received;

(II) the number and types of alternative fuel school buses, ultra-low sulfur diesel fuel school buses, and retrofitted buses requested in grant applications;

(III) grants awarded and the criteria used to select the grant recipients; and

(IV) the emission levels of all buses purchased or retrofitted under this section;

(V) an evaluation of the in-use emission level of buses purchased or retrofitted under this section; and

(VI) any other information the Administrator considers appropriate.

(C) EDUCATION.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall submit a report on the program to promote and explain the grant program.

(2) COORDINATION WITH STAKEHOLDERS.—The outreach program shall be designed and conducted with the cooperation of national and local transportation and other stakeholders.

(D) COMPONENTS.—The outreach program shall—

(A) inform potential grant recipients on the process of applying for grants;

(B) describe the technologies and the benefits of the technologies;

(C) explain the benefits of participating in the grant program; and

(D) include, as appropriate, information from the annual report required under subsection (b)(8).

(4) AUTHORIZATION OF APPROPRIATIONS.—

(A) ESTABLISHMENT.—The Administrator shall, in consultation with the Secretary, establish a program for awarding grants on a competitive basis to public agencies and entities for fleet modernization programs including installation of retrofit technologies for diesel trucks.

(B) ELIGIBILITY REQUIREMENTS.—A grant shall be awarded under this section only to a State or local government for the development of fuel cell-powered school buses to demonstrate the use of fuel cell-powered school buses.

(C) COST SHARING.—The non-Federal contribution for activities funded under this section shall not be less than—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (1).

(D) REPORTS TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Administrator shall submit to Congress a report that—

(A) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(B) assesses the results of the demonstration and development program under this section.

(4) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary to carry out this section—

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

(2) $25,000,000 for fiscal year 2007;

(3) $45,000,000 for fiscal year 2008; and

(4) Such sums as are necessary for each of fiscal years 2009 and 2010.

SEC. 743. FUEL CELL SCHOOL BUSES.

(a) ESTABLISHMENT.—The Secretary shall establish a program for entering into cooperative agreements—

(1) with private sector fuel cell bus developers for the development of fuel cell-powered school buses; and

(2) subsequently, with not less than 2 units of local government using natural gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel cell-powered school buses.

(b) COST SHARING.—The non-Federal contribution for activities funded under this section shall not be less than—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (1).

(c) REPORTS TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report that—

(A) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(B) assesses the results of the demonstration and development program under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary to carry out this section—

(1) $15,000,000 for fiscal year 2006;

(2) $20,000,000 for fiscal year 2007; and

(3) $30,000,000 for fiscal year 2008.

SEC. 752. MOBILE EMISSION REDUCTIONS TRADING AND CREDITS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall submit to Congress a report on the experience of the Administrator with the trading of mobile source emission reduction credits for use by owners and operators of stationary source emission sources to meet emission offset requirements within a nonattainment area.
(b) CONTENTS.—The report shall describe—
(1) projects approved by the Administrator that include the trading of mobile source emission reduction credits for use by stationary sources, and projects submitted to offset requirements, including a description of—
(A) project and stationary sources location;
(B) volumes of emissions offset and traded;
(C) sources of mobile emission reduction credits; and
(D) if available, the cost of the credits;
(2) the significant issues identified by the Administrator in consideration and approval of trading in the projects;
(3) the requirements for monitoring and assessing the air quality benefits of any approved project;
(4) any other issues that the Administrator considers relevant to the trading and generation of mobile source emission reduction credits for use by stationary sources or for other purposes.

SEC. 753. CONSERVE BY BICYCLING PROGRAM.

(a) DEFINITIONS.—In this section:
(1) Tier 2 emission standards.—The term "Tier 2 emission standards" means the Conserve by Bicycling Program established by subsection (b).
(2) Secretary.—The term "Secretary" means the Secretary of Transportation.
(3) ESTABLISHMENT.—There is established within the Department of Transportation a program to be known as the "Conserve by Bicycling Program".
(c) PROJECTS.—(1) In general.—In carrying out the program, the Secretary shall establish not more than 10 projects that are—
(A) dispersed geographically throughout the United States; and
(B) designed to conserve energy resources by encouraging the use of bicycles in place of motor vehicles.
(2) REQUIREMENTS.—A pilot project described in paragraph (1) shall—
(A) provide for the conversion of motor vehicle trips to bicycle trips;
(B) document the results or progress of the project;
(C) specify the process for evaluating the results of the project; and
(D) provide for the conversion of motor vehicle trips to bicycle trips for a period greater than 15 consecutive minutes, at a cost of each project described in paragraph (1) that is—
(i) $5,150,000 shall be used to carry out pilot projects described in subsection (c); and
(ii) $390,000 shall be used by the Secretary to coordinate, publicize, and disseminate the results of the program; and
(2) $750,000 shall be used to carry out section (4).

SEC. 756. REDUCTION OF ENGINE IDLING.

(a) DEFINITIONS.—In this section:
(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.
(2) Advanced truck stop electrification system.—The term "advanced truck stop electrification system" means a stationary system that delivers heat, air conditioning, electricity, or communications, and is capable of providing affordable and adequate use of those services, to a heavy-duty vehicle and any occupants of the heavy-duty vehicle, while not relying on components mounted onboard the heavy-duty vehicle for delivery of those services.
(3) Auxiliary power unit.—The term "auxiliary power unit" means an integrated system that—
(A) provides heat, air conditioning, engine warming, or electricity to components on a heavy-duty vehicle; and
(B) is certified by the Administrator under part 89 of title 49, Code of Federal Regulations (or any successor regulation), as meeting applicable emission standards.
(4) Heavy-duty vehicle.—The term "heavy-duty vehicle" means a vehicle that—
(A) has a gross vehicle weight rating greater than 8,500 pounds; and
(B) is powered by a diesel engine.
(5) Idle reduction technology benefits.—The term "idle reduction technology" means an advanced truck stop electrification system, auxiliary power unit, or other technology that—
(A) is used to reduce long-duration idling; and
(B) allows for the main drive engine or auxiliary refrigeration engine to be shut down.
(6) Energy conservation technology.—The term "energy conservation technology" means any device, system, or equipment that improves the fuel economy.
(7) Long-duration idling.—The term "long-duration idling" means the operation of a main drive engine or auxiliary refrigeration engine, for a period greater than 15 consecutive minutes, at a time when the main drive engine is not engaged in gear.

(b) EXCLUSIONS.—The term "long-duration idling" does not include the operation of a main drive engine or auxiliary refrigeration engine during a routine stoppage associated with traffic movement or congestion.

(b) IDLE REDUCTION TECHNOLOGY BENEFITS, PROCEDURES, AND AUTHORIZATION.—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall—
(A) commence a review of the mobile source air emission models of the Environmental Protection Agency used under the Clean Air Act (42 U.S.C. 7401 et seq.) to determine whether the model accurately reflects results from long-duration idling of heavy-duty vehicles and other vehicles and engines; and
(ii) update those models as the Administrator determines to be appropriate; and
(B)(i) review a minute of the emission reductions achieved by the use of idle reduction technologies established by the Environmental Protection Agency as the Administrator determines to be appropriate;
(ii) complete such revisions of the regulations and guidance of the Environmental Protection Agency as the Administrator determines to be appropriate;
(2) DEADLINE FOR COMPLETION.—Not later than 180 days after the date of enactment of this Act, the Administrator shall:
(A) complete the reviews under subparagraphs (A)(i) and (B)(i) of paragraph (1); and
(B) prepare and make publicly available 1 or more reports of the results of the reviews:
(3) DISCRETIONARY INCLUSIONS.—The reviews under subparagraphs (A)(i) and (B)(i) of paragraph (2) may address the potential fuel savings resulting from use of idle reduction technology.
(4) IDLE REDUCTION AND ENERGY CONSERVATION DEPLOYMENT PROGRAM.—
(A) ESTABLISHMENT.—
(i) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall:
(A)(i) prepare and make publicly available a report of the results of the study, and
(ii) the Administrator shall:
(A)(i) prepare and make publicly available a report of the results of the study, and
(iii) give priority to the deployment of idle reduction technologies for both emissions and energy conservation technologies.
(ii) PRIORITY.—The Administrator shall give priority to the deployment of idle reduction and energy conservation technologies based on the costs and beneficial effects on air quality and ability to lessen the emission of criteria air pollutants.
(B) DEADLINE FOR COMPLETION.—Not later than 90 days after the date of enactment of this Act, the Administrator shall:
(1) an identification of the grant recipients, a description of the funds awarded and the amount of funding provided; and
(2) an identification of all other applicants that submitted applications under the program.
SEC. 758. BIODIESEL ENGINE TESTING PROGRAM.
(a) IN GENERAL.—Not later that 180 days after the date of enactment of this Act, the Secretary shall initiate a partnership with diesel engine, the date of enactment of this Act, the Secretary shall initiate a partnership with diesel engine, and the Administrator shall submit to Congress a report containing—
(1) an identification of the grant recipients, a description of the funds awarded and the amount of funding provided; and
(2) an identification of all other applicants that submitted applications under the program.
(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall initiate a partnership with diesel engine, and the Administrator shall submit to Congress a report containing—
(1) an identification of the grant recipients, a description of the funds awarded and the amount of funding provided; and
(2) an identification of all other applicants that submitted applications under the program.
(b) SCOPE.—The program shall provide for testing to determine the impact of biodiesel from different sources on current and future emission control technologies, with emphasis on—
(i) the impact of biodiesel on emissions warrants, in-use liability, and antitampering provisions;
(ii) the impact of long-term use of biodiesel on engine operations;
(iii) the options for optimizing these technologies for both emissions and performance when switching between biodiesel and diesel fuel; and
(iv) the impact of using biodiesel in these fueling systems and engines when used as a blend with 2016 Environmental Protection Agency-mandated diesel, a maximum of 15-parts-per-million sulfur content.
(c) REPORT.—Not later than 2 years after the date of completion of testing, the Secretary shall provide a report to Congress on the findings of the program, including a comprehensive analysis of impacts from biodiesel on engine operation for both existing and expected future diesel technologies, and recommendations for ensuring optimal emissions reductions and engine performance with biodiesel.
(d) AUTORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for each of fiscal years 2006 through 2010 to carry out this section.
(e) DEFINITION.—For purposes of this section, the term ‘‘biodiesel’’ means a diesel fuel substitute produced from nonpetroleum renewable resources that meets the registration requirements established by the Environmental Protection Agency under section 211 of the Clean Air Act (42 U.S.C. 7545) and that meets the American Society for Testing and Materials Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.
SEC. 759. FUEL ECONOMY INCENTIVE REQUIREMENTS.
Section 32905 of title 49, United States Code, is amended by adding the following new subsection at the end thereof:
‘‘(a) MANUFACTURING INCENTIVES.—Section 32905 of title 49, United States Code, is amended—
(1) in each of subsections (b) and (d), by striking ‘‘1993–2004’’ and inserting ‘‘1993–2010’’; and
(2) in subsection (d), by striking ‘‘2001’’ and inserting ‘‘2009’’.
(b) MAXIMUM FUEL ECONOMY INCREASE.
Subject to subparagraph (A), there are authorized to be appropriated $5,000,000 for each of the fiscal years 2006 through 2010.
SEC. 760. EXTENSION OF MAXIMUM FUEL ECONOMY INCENTIVE FOR ALTERNATIVE FUELED VEHICLES.
(a) MANUFACTURING INCENTIVES.—Section 32905 of title 49, United States Code, is amended—
(1) in each of subsections (b) and (d), by striking ‘‘1993–2004’’ and inserting ‘‘1993–2010’’; and
(2) in subsection (d), by striking ‘‘2001’’ and inserting ‘‘2009’’.
(b) MAXIMUM FUEL ECONOMY INCREASE.
Subject to subparagraph (A), there are authorized to be appropriated $5,000,000 for each of the fiscal years 2006 through 2010.
SEC. 761. AUTHORIZATION OF APPROPRIATIONS FOR INCREASE OF FUEL ECONOMY STANDARDS.
No funds shall be appropriated by law, there are authorized to be appropriated to the National Highway Traffic Safety Administration to carry out its obligations with respect to average fuel economy standards $3,500,000 for each of the fiscal years 2006 through 2010.
SEC. 762. EXTENSION OF MAXIMUM FUEL ECONOMY INCREASE FOR ALTERNATIVE FUELED VEHICLES.
(a) MANUFACTURING INCENTIVES.—Section 32905 of title 49, United States Code, is amended—
(1) in each of subsections (b) and (d), by striking ‘‘1993–2004’’ and inserting ‘‘1993–2010’’; and
(2) in subsection (d), by striking ‘‘2001’’ and inserting ‘‘2009’’.
(b) MAXIMUM FUEL ECONOMY INCREASE.
Subject to subparagraph (A), there are authorized to be appropriated $5,000,000 for each of the fiscal years 2006 through 2010.
SEC. 763. STUDY OF FEASIBILITY AND EFFECTS OF REDUCING USE OF FUEL FOR AIRCRAFT.
(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of the National Aeronautics and Space Administration shall initiate a study of the feasibility and effects of reducing the use of fuel for aircraft.
(b) OBJECTS OF STUDY.—The study shall include—
(1) examination of, and recommendation of alternatives to, the policy under current Federal law requiring establishing minimum fuel economy standards for automobiles and requiring each automobile manufacturer to comply with average...
fuel economy standards that apply to the automobile manufacturers;
(2) examination of how automobile manufacturers could contribute toward achieving the reduction required in subsection (a); and
(3) examination of the potential of fuel cell technology in motor vehicles in order to determine the extent to which such technology may contribute toward meeting the reduction referred to in subsection (a); and
(4) examination of the effects of the reduction referred to in subsection (a) on—
(A) gasoline supplies;
(B) the automobile industry, including sales of automobiles manufactured in the United States;
(C) performance, safety, and air quality.
(c) Report.—The Administrator shall submit to Congress, not later than one year after the date of the enactment of this Act, a report providing findings and recommendations of the study under this section by not later than one year after the date of the enactment of this Act.

SEC. 782. FEDERAL AND STATE PROCUREMENT OF FUEL CELL VEHICLES AND HYDROGEN ENERGY SYSTEMS.

(a) PURPOSES.—The purposes of this section are—
(1) to stimulate acceptance by the market of stationary, portable, and micro fuel cells and hydrogen energy systems;
(2) to encourage the early development of fuel cell systems for marine, stationary, portable, and micro fuel cell vehicles and hydrogen energy systems in accordance with paragraph (1), that agency shall be excepted from compliance with paragraph (1).
(i) the cost to the agencies of leasing or purchasing a fuel cell vehicle or hydrogen energy system; or
(ii) cost-effective management structure of the lease of a fuel cell vehicle or hydrogen energy system.

(3) EXCEPTION.—
(A) IN GENERAL.—If the Secretary determines that the agency determines that the head of an agency described in paragraph (B) a cost-effective purchase of a fuel cell vehicle or hydrogen energy system in accordance with paragraph (1), that agency shall be excepted from compliance with paragraph (1).

(B) CONSIDERATION.—In making a determination under subparagraph (A), the Secretary shall consider—
(i) the needs of the agency; and
(ii) an evaluation performed by—
(I) the Task Force; or
(II) the Technical Advisory Committee.

(c) ENERGY SAVINGS GOALS.—

(1) IN GENERAL.—
(A) REGULATIONS.—Not later than December 31, 2006, the Secretary shall—
(i) in cooperation with the Task Force, promulgate regulations for the period of 2008 through 2010 that extend and augment energy savings goals for each Federal agency, in accordance with any Executive order issued after March 2000; and

(B) REVIEW, EVALUATION, AND NEW REGULATIONS.—Not later than December 31, 2010, the Secretary shall—
(i) review the regulations promulgated under subparagraph (A);
(ii) evaluate any progress made toward achieving energy savings by Federal agencies; and
(iii) promulgate new regulations for the period of 2011 through 2015 to achieve additional energy savings by Federal agencies relating to technical and cost-performance standards.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section—
(1) $20,000,000 for fiscal year 2006;
(2) $50,000,000 for fiscal year 2007;
(3) $75,000,000 for fiscal year 2008;
(4) $100,000,000 for fiscal year 2009;
(5) $100,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2015.

Subtitle G—Diesel Emissions Reduction

SEC. 791. DEFINITIONS.

In this subtitle:
(1) Administrator.—The term ‘‘Administrator’’ means the Administrator of the Environmental Protection Agency.
(2) Certified engine configuration.—The term ‘‘certified engine configuration’’ means a new, rebuilt, or remanufactured engine configuration that has been certified by the Administrator.

Subtitle H—House
(C) in the case of a certified engine configuration involving the replacement of an existing engine or vehicle, an engine configuration that replaced an engine that was—
(i) (v) (iii) or (iv) and including such information as the Administrator may require.
(ii) 2004 02:18 Jul 28, 2005 Jkt 039060 PO 00000 Frm 00104 Fmt 7634 Sfmt 6333 E:\CR\FM\A27JY7.155 H27JYPT1 VERIFIED TECHNOLOGIES.

(2) INCLUSIONS.—An application under this subsection shall include—
(A) a description of the air quality of the area served by the eligible entity;
(B) the quantity of air pollution produced by the diesel fleets in the area served by the eligible entity;
(C) a description of the project proposed by the eligible entity, including—
(i) an approved application and test plan for the emerging technology, or emerging technology used or funded by the eligible entity; and
(ii) the means by which the project will achieve a significant reduction in diesel emissions;
(D) an evaluation (using methodology approved by the Administrator or the National Academy of Sciences) of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project;
(E) an estimate of the cost of the proposed project;
(F) a description of the age and expected lifetime control of the equipment used or funded by the eligible entity;
(G) a description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel; and
(H) provisions for the monitoring and verification of diesel fuel usage.
(4) UNCLAIMED FUNDS.—Any funds that are not claimed by a State for a fiscal year under this subsection shall be used to carry out section 792.

(d) ADMINISTRATION.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3) and, to the extent practicable, the priority areas listed in section 792(c)(4), a State shall develop and implement programs under this section to develop and implement such grant and low-cost revolving loan programs in the State as are appropriate to meet State needs and goals relating to reduction of air pollution emissions.

(2) APPORTIONMENT OF FUNDS.—The Governor of a State that receives funding under this section may determine the portion of funds to be provided as grants or loans.

(3) USE OF FUNDS.—A grant or loan provided under this section may be used for a project relating to—

(A) a certified engine configuration; or

(B) a verified technology.

SEC. 794. EVALUATION AND REPORT.

(a) IN GENERAL.—Not later than 1 year after the date on which funds are made available under this subtitle, and biennially thereafter, the Administrator shall submit to Congress a report evaluating the implementation of the programs under this subtitle.

(b) INCLUSIONS.—The report shall include a description of—

(1) the total number of grant applications received;

(2) each grant or loan made under this subtitle, including the amount of the grant or loan; and

(3) each project for which a grant or loan is provided under this subtitle, including the criteria used to select the grant or loan recipients.

(c) S TATE IMPLEMENTATION PLANS.

(A) equipment owners and operators;

(B) the Secretary.

(1) IN GENERAL.—The term “highway vehicle” means a motor vehicle that is rated at more than 8,500 pounds gross vehicle weight; and

(B) has a curb weight of more than 6,000 pounds; or

(C) has a basic vehicle frontal area in excess of 45 square feet.

(2) STATIONARY, PORTABLE.—The terms “stationary” and “portable”, when used in reference to a fuel cell, include—

(A) continuous electric power; and

(B) backup electric power.

(3) TASK FORCE.—The term “Task Force” means the Hydrogen and Fuel Cell Technical Task Force established under section 806.

(4) TECHNICAL ADVISORY COMMITTEE.—The term “Technical Advisory Committee” means the independent Technical Advisory Committee established under section 807.

SEC. 804. PLAN.

Not later than 6 months after the date of enactment of this Act, the Secretary shall transmit to Congress a coordinated plan for the programs described in this title and any other programs of the Department that are directly related to fuel cells or hydrogen. The plan shall describe, at a minimum—

(1) the agenda for the next 5 years for the programs authorized under this title, including the agenda for each activity enumerated in section 805(e);

(2) the types of entities that will carry out the activities under this title and what role each entity is expected to play;

(3) the milestones that will be used to evaluate the progress of the program;

(4) the most significant technical and nontechnical hurdles that stand in the way of achieving the goals described in section 805, and how the programs will address those hurdles; and

(5) the policy assumptions that are implicit in the plans, including any assumptions that would affect the sources of funding or the marketability of hydrogen-related products.

SEC. 805. PROGRAMS.

(a) IN GENERAL.—The Secretary, in consultation with other Federal agencies and the private sector, shall conduct a research and development program on technologies relating to the production, purification, distribution, storage, and efficient use of hydrogen energy, fuel cells, and related infrastructure.

(b) GOAL.—The goal of the program shall be to demonstrate and commercialize the use of hydrogen technologies in light-duty vehicles, utility, industrial, commercial, and residential applications.

(c) FOCUS.—In carrying out activities under this section, the Secretary shall focus on factors that are common to the development of hydrogen infrastructure and the supply of vehicle and electric power for critical consumer and commercial applications, and that achieve continuous technical evolution and cost reduction, particularly for hydrogen production, the supply of hydrogen, storage of hydrogen, and end uses of hydrogen that—

(1) steadily increase production, distribution, and end use efficiency and reduce life-cycle emissions;

(2) resolve critical problems relating to catalysts, membranes, storage, lightweight materials, electronic controls, manufacturability, and other problems that emerge from the program;

(3) enhance sources of renewable fuels and biofuels for hydrogen production; and

(4) enable widespread use of distributed electric generation and storage.

(d) PUBLIC EDUCATION AND RESEARCH.—In carrying out this section, the Secretary shall support enhanced public education and research conducted at institutions of higher education in fundamental sciences, application design, and systems concepts (including education and research relating to materials, subsystems, manufacturability, maintenance, and safety) relating to hydrogen and fuel cells.

(e) ACTIVITIES.—The Secretary, in partnership with the private sector, shall conduct programs to—

(1) production of hydrogen from diverse energy sources, including—

(A) fossil fuels, which may include carbon capture and sequestration;

(B) hydrogen-carrier fuels (including ethanol and methanol);

(C) renewable energy resources, including bio- and nuclear energy;

(2) use of hydrogen for commercial, industrial, and residential electric power generation;

(3) safe delivery of hydrogen or hydrogen-carrier fuels, including—

(A) transmission by pipeline and other distribution methods; and

(B) automotive and economic refueling of vehicles either at central refueling stations or through distributed onsite generation;

(4) advanced vehicle technologies, including—

(A) engine and emission control systems;

(B) energy storage, electric propulsion, and hybrid systems;

(C) automotive materials; and

(D) other advanced vehicle technologies;

(5) storage of hydrogen or hydrogen-carrier fuels, including development of materials for safe and economic storage in gaseous, liquid, or solid form at refueling facilities and onboard vehicles;

(6) development of safe, durable, affordable, and efficient fuel cells, including fuel-flexible fuel cells, power systems, manufacturing processes, high-temperature membranes, cost-effective fuel processing for natural gas,
(1) The Office of Science and Technology Policy within the Executive Office of the President.
(2) The Department of Transportation.
(3) The Department of Defense.
(4) The Department of Energy.
(5) The Department of Commerce (including the National Institute of Standards and Technology).
(6) The Department of State.
(7) The National Aeronautics and Space Administration.
(8) Other Federal agencies as the Secretary determines appropriate.

(b) DUTIES.—
(1) PLANNING.—The Task Force shall work toward
(A) a safe, economical, and environmentally sound infrastructure for hydrogen and hydrogen-carrier fuels, including an infrastructure that supports buses and other fleet transportation;
(B) fuel cells in government and other applications, including portable, stationary, and transportation applications;
(C) distributed power generation, including the generation of combined heat, power, and clean fuels including hydrogen;
(D) uniform hydrogen codes, standards, and safety protocols; and
(E) vehicle hydrogen fuel system integrity safety performance.
(2) ACTIVITIES.—The Task Force may organize workshops and conferences, may issue publications, and may create databases to carry out its duties. The Task Force shall—
(A) foster the exchange of generic, nonproprietary information and technology among industry, academia, and government;
(B) develop and maintain an inventory and assessment of hydrogen, fuel cells, and other advanced technologies, including the commercial capability of each technology for the economic and environmentally safe production, distribution, delivery, storage, and use of hydrogen;
(C) integrate technical and other information made available as a result of the programs and activities under this title;
(D) promote the marketplace introduction of infrastructure for hydrogen fuel vehicles; and
(E) conduct an education program to provide hydrogen and fuel cell information to potential end-users.

(c) AGENCY COOPERATION.—The heads of all agencies, including independent agencies, who are represented on the Task Force, shall cooperate with and furnish information to the Task Force, the Technical Advisory Committee, and the Department.

SEC. 807. TECHNICAL ADVISORY COMMITTEE.
(a) ESTABLISHMENT.—The Hydrogen Technical and Fuel Cell Advisory Committee is established to advise the Secretary on the programs and activities under this title.
(b) MEMBERSHIP.—
(1) MEMBERS.—The Technical Advisory Committee shall be comprised of not fewer than 12 nor more than 25 members. The members shall be appointed by the Secretary to represent domestic industry, academia, professional societies, government agencies, and other appropriate organizations based on the Department’s assessment of the technical and other qualifications of Technical Advisory Committee members and the needs of the Technical Advisory Committee.
(2) TERMS.—The term of a member of the Technical Advisory Committee shall not be more than 3 years. The Secretary may appoint members of the Technical Advisory Committee in a manner that allows the terms of the members serving on any given committee to be staggered so as to ensure continuity in the functioning of the Technical Advisory Committee. A member of the Technical Advisory Committee whose term is expiring may be reappointed.

(c) SUPPORT.
(1) C ONSIDERATION OF RECOMMENDATIONS.—
The Secretary shall consider, but need not adopt, any recommendations of the Technical Advisory Committee unless the Secretary determines appropriate.
(2) BIENNIAL REPORT.—The Secretary shall transmit a biennial report to Congress describing any recommendations made by the Technical Advisory Committee since the previous report. The report shall include a description of how the Secretary has implemented or plans to implement the recommendations, or an explanation of the reasons that a recommendation will not be implemented. The report shall be transmitted along with the President’s budget proposal.

(d) RESPONSE.—
(1) CONSIDERATION OF RECOMMENDATIONS.—
The Secretary shall consider, but need not adopt, any recommendations of the Technical Advisory Committee unless the Secretary determines appropriate.
(2) BIENNIAL REPORT.—The Secretary shall transmit a biennial report to Congress describing any recommendations made by the Technical Advisory Committee since the previous report. The report shall include a description of how the Secretary has implemented or plans to implement the recommendations, or an explanation of the reasons that a recommendation will not be implemented. The report shall be transmitted along with the President’s budget proposal.

(e) SUPPORT.—The Secretary shall provide resources necessary in the judgment of the Secretary to carry out its responsibilities under this title.

SEC. 808. DEMONSTRATION.
(a) IN GENERAL.—In carrying out the programs under this section, the Secretary shall fund a limited number of demonstration projects, consistent with this title and a determination of the maturity, cost-effectiveness, and environmental impacts of technologies supporting each project. In selecting projects under this subsection, the Secretary shall, to the extent practicable and in the public interest, select projects that—
(1) involve using hydrogen and related products at existing facilities or installations, such as existing office buildings, military bases, vehicle fleet centers, transit bus authorities, or units of the National Park System;
(2) depend on reliable power from hydrogen to carry out essential activities;
(3) lead to the replication of hydrogen technologies and draw such technologies into the marketplace;
(4) provide vehicle, portable, and stationary demonstrations of fuel cell and hydrogen-based energy technologies;
(5) address the interdependency of demand for hydrogen fuel cell applications and hydrogen fuel infrastructure;
(6) raise awareness of hydrogen technology among the public;
(7) facilitate identification of an optimum technology among competing alternatives;
(8) address distributed generation using renewable sources;
(9) carry out demonstrations of evolving hydrogen and fuel cell technologies in national parks, remote island areas, and on Indian tribal lands, as selected by the Secretary;
(10) carry out a program to demonstrate developmental hydrogen and fuel cell systems for mobile, portable, and stationary uses, using improved versions of the learning demonstrations program concept of the Department including demonstrations involving—
(A) light-duty vehicles;
(B) heavy-duty vehicles;
(C) fleet vehicles;
(D) specialty industrial and farm vehicles; and
(E) commercial and residential portable, continuous, and backup electric power generation;
(11) in accordance with any code or standards developed in a region, fund prototype, pilot fleet, and infrastructure regional hydrogen supplier projects along the interstate highway system in varied climates across the United States; and

(f) PROCUREMENT.
(1) ESTABLISHMENT OF GOALS.—Not later than 120 days after the date of enactment of this Act, the President shall establish an interagency task force chaired by the Secretary with representatives from each of the following:

(g) PROCUREMENT.
(1) ESTABLISHMENT OF GOALS.—Not later than 120 days after the date of enactment of this Act, the President shall establish an interagency task force chaired by the Secretary with representatives from each of the following:
(12) fund demonstration programs that explore the use of hydrogen blends, hybrid hydrogen, and hydrogen reformed from renewable agricultural fuels, including the use of hydrogen in hybrid electric and advanced internal combustion-powered vehicles.
The Secretary shall give preference to projects which address multiple elements contained in paragraphs (1) through (12).
(b) SYSTEM DEMONSTRATIONS.—
(1) IN GENERAL.—As a component of the demonstration program under this section, the Secretary shall support projects, on a cost share basis as appropriate, to eligible entities (as determined by the Secretary) for use in—
(A) testing system design concepts that provide for the use of advanced composite vehicles in programs under section 782 that—
(i) have as a primary goal the reduction of drive energy requirements;
(ii) after 2010, add another research and development phase, as defined in subsection (c), including the vehicle and infrastructure development phase, or a related industry and applicable systems and the National Science Foundation or institution of higher education; and
(B) designing a local distributed energy system that—
(i) incorporates renewable hydrogen production, off-grid electricity production, and fleet applications with hydrogen fueling stations in the United States by 2010 in accordance with section 782; and
(ii) integrates energy or applications described in clause (i), such as stationary, portable, and mobile fuel cells, into a high-density commercial or residential building complex or agricultural community; and
(iii) is managed in cooperation with industry, State, local, and tribal governments, agricultural organizations, and nonprofit generators and distributors of electricity.
(c) IDENTIFICATION OF NEW PROGRAM REQUIREMENTS.—In carrying out the demonstration programs under subsection (a), the Secretary, in consultation with the Task Force and the Technical Advisory Committee, shall—
(1) after 2008 for stationary and portable applications, and after 2010 for vehicles, identify new requirements that refine technological concepts, planning, and applications; and
(2) at the phase of the learning demonstrations under subsection (b)(1)(A)(iii), redesign subsequent program work to incorporate those requirements.
(d) APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—
(1) $185,000,000 for fiscal year 2006;
(2) $200,000,000 for fiscal year 2007;
(3) $250,000,000 for fiscal year 2008;
(4) $300,000,000 for fiscal year 2009; and
(5) such sums as are necessary for each of fiscal years 2010 through 2020.
SEC. 809. CODES AND STANDARDS.
(a) In General.—The Secretary, in cooperation with the Task Force, shall—
(1) after 2006, develop energy system design requirements.
(b) ENERGY EFFICIENCY.—The Secretary shall develop comprehensive energy efficiency standards and mandatory appliance/transportation/related equipment standards for applicable systems and the National Science Foundation or institution of higher education.
(c) EDUCATIONAL EFFORTS.—The Secretary shall support educational efforts by organizations described in subsection (a) to share information, including information relating to best practices, among those organizations and agencies.
(d) FUNDING AND APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—
(1) $4,000,000 for fiscal year 2006;
(2) $7,000,000 for fiscal year 2007;
(3) $5,000,000 for fiscal year 2008;
(4) $4,000,000 for fiscal year 2009;
(5) $9,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2020.
SEC. 810. DISCLOSURE.
(a) SECRETARY.—Subject to subsection (c), not later than 2 years after the date of enactment of this Act, and triennially thereafter, the Secretary shall submit to Congress a report describing—
(1) activities carried out by the Department under this title, for hydrogen and fuel cell technology;
(2) measures the Secretary has taken during the preceding 3 years to support the transition of primary industry (or a related industry) to a commercially viable hydrogen economy;
(3) any change made to the strategy relating to hydrogen and fuel cell technology to reflect the results of the review conducted by the Academy of Sciences under which the Academy is engaged;
(4) progress, including progress in infrastructure, made toward achieving the goals of producing and deploying hydrogen at a sufficient number of hydrogen stations in the United States by 2010; and
(b) WIND ENERGY TECHNOLOGIES.—The Secretary shall—
SEC. 811. REPORTS.
(a) IN GENERAL.—As a component of the Energy Policy Act of 1992 (U.S.C. 13239) shall apply to any project carried out through a grant, cooperative agreement, or contract under this title.
(3) establish a program—
(A) to develop optimized concentrating solar power devices that may be used for the production of both electricity and hydrogen; and
(B) to coordinate with activities sponsored by the Department of Energy's National Wind, Solar, and Geothermal Energy Program and the National Wind Institute of the National Renewable Energy Laboratory for the purpose of identifying and coordinating the use of hydrogen either concurrently with, or independently of, the production of electricity;
(7) establish a program—
(A) to develop methods that use electricity from photovoltaic devices for the onsite production of hydrogen, such that no intermediate transmission or distribution infrastructure is required or used and future demand growth may be accommodated;
(B) to evaluate the economics of small-scale electrolysis for hydrogen production; and
(C) to study the potential of modular photovoltaic devices for the hydrogen infrastructure, the security implications of a hydrogen infrastructure, and the benefits potentially derived from a hydrogen infrastructure.
SEC. 812. PHOTOVOLTAIC TECHNOLOGIES.
(a) IN GENERAL.—The Academy of Sciences under which the Academy is engaged shall—
(1) prepare a detailed roadmap for carrying out the provisions in this title related to solar energy technologies and for implementing the recommendations related to wind energy technologies that are included in the report transmitted under subsection (c); and
(2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education.
(b) PROGRAM SUPPORT.—The Secretary shall support programs at institutions of higher education for the development of solar energy technologies and wind energy technologies for the purposes of carrying out the programs supported under this subsection shall—
(1) enhance fellowship and faculty assistant programs;
(2) provide support for fundamental research;
(3) encourage collaborative research among industry, National Laboratories, and institutions of higher education;
(4) support communication and outreach; and
(5) to the greatest extent possible—
(A) be located in geographic areas that are regionally and climatically diverse; and
(B) be located at part B institutions, minority institutions, and institutions of higher education located in States participating in the Energy Innovation Program to facilitate Competitive Research of the Department.
(d) INSTITUTIONS OF HIGHER EDUCATION AND NATIONAL LABORATORY INTERACTIONS.—In con- junction with the programs supported under this section, the Secretary shall develop collaborative, fellowship, and visiting scientist programs to encourage National Laboratories and institutions of higher education to share and exchange personnel.
(e) REPORT.—The Secretary shall transmit to the Congress not later than 120 days after the date of enactment of this Act a report containing detailed summaries of the roadmaps prepared under subsections (a)(1) and (b)(1), descriptions of the Secretary's progress in establishing the projects and the projects required under this section, and recommendations for promoting the availability of advanced solar
and wind energy technologies for the production of hydrogen.

(f) DEFINITIONS.—For purposes of this section—

(1) the term ‘‘concentrating solar power devices’’ means devices that concentrate the power of the sun by reflection or refraction to improve the efficiency of a photovoltaic or thermal generation process;

(2) the term ‘‘minority institution’’ has the meaning given to that term in section 365 of the Higher Education Act of 1965 (20 U.S.C. 1067k); and

(3) the term ‘‘part B institution’’ has the meaning given to that term in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061); and

(4) the term ‘‘photovoltaic devices’’ means devices that convert light directly into electricity through a solid-state, semiconductor process.

(g) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated such sums as are necessary for carrying out the activities under this section for each of fiscal years 2006 through 2020.

SEC. 813. TECHNOLOGY TRANSFER.

In carrying out this title, the Secretary shall carry out programs that—

(1) provide for the transfer of critical hydrogen and fuel cell technologies to the private sector;

(2) accelerate wider application of those technologies in the global market;

(3) foster the exchange of generic, nonproprietary information; and

(4) assess technical and commercial viability of technologies relating to the production, distribution, storage, and use of hydrogen energy and fuel cells.

SEC. 814. MISCELLANEOUS PROVISIONS.

(a) REPRESENTATION.—The Secretary may represent the United States interests with respect to activities and programs under this title, in coordination with the Department of Transportation, the National Institute of Standards and Technology, and other relevant Federal agencies, before governments and nongovernmental organizations including—

(1) other Federal, State, regional, and local governments and their representatives;

(2) industry and its representatives, including members of the energy and transportation industries; and

(3) in consultation with the Department of State, foreign governments and their representatives including national governmental organizations.

(b) REGULATORY AUTHORITY.—Nothing in this title shall be construed to alter the regulatory authority of the Department.

SEC. 815. CONTINUING AUTHORITY.

The costs of carrying out projects and activities under this title shall be shared in accordance with section 888.

SEC. 816. SAVINGS CLAUSE.

Nothing in this title shall be construed to affect the authority of the Secretary of Transportation that may exist prior to the date of enactment of this title with respect to—

(1) research into, and regulation of, hydrogen-powered vehicles fuel systems integrity, standards, and safety under subtitle VI of title 49, United States Code;

(2) regulation of hazardous materials transportation under chapter 51 of title 49, United States Code;

(3) policy of pipeline safety under chapter 601 of title 49, United States Code;

(4) encouragement and promotion of research, development, and deployment activities relating to advanced energy technologies under section 5506 of title 49, United States Code;

(5) regulation of motor vehicle safety under chapter 301 of title 49, United States Code;

(6) automobile fuel economy under chapter 329 of title 49, United States Code; or

(7) representation of the interests of the United States to the activities and programs under the authority of title 49, United States Code.

TITLE IX—RESEARCH AND DEVELOPMENT

SEC. 901. SHORT TITLE.

This title may be cited as the “Energy Research, Development, Demonstration, and Commercial Application Act of 2005”.

SEC. 902. GOALS.

(a) IN GENERAL.—In order to achieve the purposes of this title, the Secretary shall conduct a balanced set of programs of energy research, development, demonstration, and commercial application with application to—

(1) increasing the efficiency of all energy intensive sectors through conservation and improved technologies;

(2) providing the security of energy supply;

(3) decreasing the dependence of the United States on foreign energy supplies;

(4) improving the energy security of the United States;

(5) decreasing the environmental impact of energy-related activities.

(b) GOALS.—The Secretary shall publish measurable cost and performance-based goals, comparable over time, with each annual budget submission in at least the following areas:

(1) Energy efficiency for buildings, energy-consuming industries, and vehicles.

(2) Electric energy generation (including distributed generation), transmission, and storage.

(3) Renewable energy technologies, including wind power, photovoltaics, solar thermal systems, geothermal energy, hydrogen-fueled systems, biomass-based systems, biofuels, and hydropower.

(4) Fossil energy, including power generation, onshore and offshore oil and gas resource recovery, and transportation fuels.

(5) Nuclear energy, including programs for existing and advanced reactors, and education of future specialists.

(c) PUBLIC COMMENT.—The Secretary shall provide mechanisms for input on the annually published goals from industry, institutions of higher education, and other public sources.

(d) EFFECT OF GOALS.—Nothing in subsection (a)(1) or the annually published goals creates any new authority for any Federal agency, or may be used by any Federal agency, to support the establishment of regulatory standards or regulatory requirements.

SEC. 903. DEFINITIONS.

In this title:

(1) DEPARTMENTAL MISSION.—The term “departmental mission” means the functions vested in the Secretary by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) or other law.

(2) HISPANO-SERVING INSTITUTION.—The term “Hispanic-serving institution” has the meaning given in section 522(a) of the Higher Education Act of 1965 (20 U.S.C. 1001a).

(3) NONMILITARY ENERGY LABORATORY.—The term “nonmilitary energy laboratory” means a National Laboratory other than a National Laboratory listed in subparagraph (G), (H), or (N) of section 885.

(4) PART B INSTITUTION.—The term “part B institution” has the meaning given in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061).

(5) SINGLE-PURPOSE RESEARCH FACILITY.—The term “single-purpose research facility” means—

(A) any of the primarily single-purpose entities owned by the Department; or

(B) any other organization of the Department designated by the Secretary.

(6) UNIVERSITY.—The term “university” has the meaning given in the term “institution of higher education” in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

Subtitle A—Energy Efficiency

SEC. 911. ENERGY EFFICIENCY.

(a) IN GENERAL.—The Secretary shall conduct programs of energy efficiency research, development, demonstration, and commercial application, including activities described in this subtitle. Such programs shall take into consideration the following objectives:

(1) Increasing the energy efficiency of vehicles, buildings, and industrial processes.

(2) Reducing the demand of the United States for energy, especially energy from foreign sources.

(3) Reducing the cost of energy and making the economy more efficient and competitive.

(4) Improving the energy security of the United States.

(5) Reducing the environmental impact of energy-related activities.

(b) PROGRAMS.—Programs under this subtitle shall include research, development, demonstration, and commercial application of—

(1) advanced, cost-effective technologies to improve the energy efficiency and environmental performance of vehicles, including—

(i) hybrid and electric propulsion systems;

(ii) plug-in hybrid systems;

(iii) advanced combustion engines;

(iv) weight and drag reduction technologies;

(v) vehicle design optimization; and

(vi) advanced drive trains.

(B) cost-effective technologies, for new construction and retrofit, to improve the energy efficiency and environmental performance of buildings, using a whole-buildings approach, including onsite renewable energy generation;

(C) advanced technologies to improve the energy efficiency, environmental performance, and process efficiency of energy-intensive and waste-intensive industries; and

(D) advanced control devices to improve the energy efficiency of existing electric appliances, including those used in industrial processes, heating, ventilation, and cooling.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary to carry out energy efficiency and conservation research, development, demonstration, and commercial application activities, including activities authorized under this subtitle—

(1) $783,000,000 for fiscal year 2007;

(2) $805,000,000 for fiscal year 2008; and

(3) $592,000,000 for fiscal year 2009.

(c) ALLOCATIONS.—From amounts authorized under subsection (b), the following sums are authorized:

(1) For activities under section 912, $50,000,000 for each of fiscal years 2007 through 2009.

(2) For activities under section 913, $50,000,000 for each of fiscal years 2007 through 2009.

(3) For activities under subsection (a)(2)(A)—

(A) $300,000,000 for fiscal year 2007; and

(B) $300,000,000 for each of fiscal years 2008 and 2009.

(4) For activities under subsection (a)(2)(D), $2,500,000 for each of fiscal years 2007 and 2008.

(d) EXTENDED AUTHORIZATION.—There are authorized to be appropriated to the Secretary to carry out section 912 $50,000,000 for each of fiscal years 2010 through 2013.

(e) LIMITATIONS.—None of the funds authorized to be appropriated under this section may be used for—

(1) the issuance or implementation of energy efficiency regulations;

(2) the weatherization program established under chapter II of Title IV of the Energy Conservation and Production Act (42 U.S.C. 6821 et seq.);

(3) a State energy conservation plan established under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.); or

(4) a Federal energy management measure carried out under part A of title IV of the National Energy Conservation Policy Act (42 U.S.C. 6821 et seq.).

SEC. 912. NEXT GENERATION LIGHTING INITIATIVE.

(a) DEFINITIONS.—In this section:

(1) ADVANCED SOLID-STATE LIGHTING.—The term “advanced solid-state lighting” means a lighting device that contains a light- emitting diode system that produces white light using externally applied voltage.
the advanced solid-state lighting technologies that are covered by this section shall be granted the first option to negotiate with the invention owner the sale of solid-state lighting, nonexclusive licenses and royalties on terms that are reasonable under the circumstances;

(2) GOVERNMENT USE PROGRAM.—In this section, the term "Government use program" means equipment located in the Federal Government's possession where the Government has assigned to the equipment a solid-state lighting license, and any equipment in Good Faith Royalties (GFR) under license agreements.

(3) EXTRACTION.—The term "extraction" includes the extraction and processing of raw materials to obtain useful products.

(4) ANALYSIS.—The term "analysis" includes the examination of a substance, object, or sample to determine its composition or structure.

(5) MANUFACTURING EXPERTISE.—The term "manufacturing expertise" includes knowledge, skills, and experience necessary to produce products.

(6) DEVELOPMENT.—The term "development" includes research, design, testing, and production of new products.

(7) DETERMINATION.—The term "determination" means a conclusion or judgment reached after analysis or evaluation.

(8) COMMERCIAL APPLICATION.—The term "commercial application" includes the application of a solid-state lighting technology in a commercial setting.

(9) COMMERCIAL APPLICATION PROGRAM.—The term "commercial application program" includes the development and demonstration of solid-state lighting technologies for commercial use.

SEC. 915. NATIONAL BUILDING PERFORMANCE INITIATIVE.

(a) INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Director of the Office of Science and Technology Policy shall establish an interagency group to develop, in coordination with the advisory committee established under section 914(c), the National Building Performance Initiative referred to in this section as the "Initiative".

(b) CHAIR.—The interagency group shall be co-chaired by the Deputy Administrators of the Department of Energy and the Department of Commerce, who shall jointly arrange for the provision of necessary administrative support to the group.

(c) MEMBERS.—The Initiative shall include Federal representatives from the Department of Energy, the Department of Commerce, and other Federal, State, or local government representatives with jurisdiction over energy-related building standards, codes, and rating systems.

(d) PLAN.—Not later than 1 year after the date of enactment of this Act, the interagency group shall submit a plan for carrying out the appropriate Federal role in enhancing building performance to the Secretary.

(e) ADVISORY COMMITTEE.—The Director of the Office of Science and Technology Policy shall establish an advisory committee to—

(1) review the plan submitted under subsection (d); and

(2) advise the Director and the interagency group on the subsequent development of the Initiative.

(f) DUTIES.—The duties of the advisory committee shall include—

(1) assessing the feasibility and cost-effectiveness of initiatives to enhance building performance;

(2) identifying potential barriers to the implementation of initiatives to enhance building performance;

(3) developing recommendations for initiatives to enhance building performance; and

(4) engaging with stakeholders, including the public, to solicit input on initiatives to enhance building performance.

SEC. 916. BUILDING STANDARDS.

(a) DEFINITION OF HIGH PERFORMANCE BUILDING.—In this section, the term "high performance building" means a building that—

(1) is designed, operated, and maintained to achieve high performance in energy efficiency, durability, life-cycle performance, and occupant productivity and health;

(2) is designed, constructed, and operated to optimize the environmental, economic, social, and community benefits of the building;

(3) is designed, constructed, and operated to achieve a high level of sustainability and resilience;

(4) is designed, constructed, and operated to achieve a high level of indoor environmental quality; and

(5) is designed, constructed, and operated to achieve a high level of occupant productivity and health.

(b) GOVERNMENT USE PROGRAM.—In this section, the term "Government use program" means equipment located in the Federal Government's possession where the Government has assigned to the equipment a high performance license, and any equipment in Good Faith Royalties (GFR) under license agreements.

(c) EXTRACTION.—The term "extraction" includes the extraction and processing of raw materials to obtain useful products.

(d) ANALYSIS.—The term "analysis" includes the examination of a substance, object, or sample to determine its composition or structure.

(e) DETERMINATION.—The term "determination" means a conclusion or judgment reached after analysis or evaluation.

(f) COMMERCIAL APPLICATION.—The term "commercial application" includes the application of a high performance technology in a commercial setting.

(g) COMMERCIAL APPLICATION PROGRAM.—The term "commercial application program" includes the development and demonstration of high performance technologies for commercial use.

(h) DUTIES.—The duties of the advisory committee shall include—

(1) reviewing the plan submitted under subsection (d); and

(2) advising the Director and the interagency group on the subsequent development of the Initiative.

(i) DETERMINATION.—The term "determination" includes a conclusion or judgment reached after analysis or evaluation.

(j) COMMERCIAL APPLICATION.—The term "commercial application" includes the application of a high performance technology in a commercial setting.

(k) COMMERCIAL APPLICATION PROGRAM.—The term "commercial application program" includes the development and demonstration of high performance technologies for commercial use.

(l) DUTIES.—The duties of the advisory committee shall include—

(1) reviewing the plan submitted under subsection (d); and

(2) advising the Director and the interagency group on the subsequent development of the Initiative.

SEC. 917. SECONDARY ELECTRIC VEHICLE BATTERY USE PROGRAM.

(a) DEFINITIONS.—In this section—

(1) BATTERY.—The term "battery" means an energy storage device that has been used to provide motive power in a vehicle powered in whole or in part by electricity.

(2) ASSOCIATED EQUIPMENT.—The term "associated equipment" means any equipment located where the batteries will be used that is necessary to enable the use of the energy stored in the batteries.

(b) PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish and conduct a program of research, development, demonstration, and commercial application of energy technologies that are based on secondary batteries, if the Secretary finds that there are sufficient numbers of batteries to support the program.

(2) ADMINISTRATION.—The program shall be—

(A) designed to demonstrate the use of batteries in secondary applications, including utility-scale and commercial power storage and power quality; and

(B) structured to evaluate the performance, including useful service life and costs, of such batteries in field operations, and to ensure that any necessary supporting infrastructure, including reuse and disposal of batteries; and

(C) coordinated with ongoing secondary battery use programs at the National Laboratories and in industry.

(c) SOLICITATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall solicit proposals to demonstrate the secondary use of batteries and associated equipment and supporting infrastructure in geographic locations throughout the United States.

(2) ADDITIONAL SOLICITATIONS.—The Secretary may make additional solicitations for proposals if the Secretary determines that the solicitations are necessary to carry out this section.

(d) SELECTION OF PROPOSALS.—

(1) IN GENERAL.—Not later than 90 days after the closing date established by the Secretary for receipt of proposals under subsection (c), the Secretary shall select up to 5 proposals that may receive financial assistance under this section once the Department receives appropriated funds to carry out this section.

(e) FACTORS.—In selecting proposals, the Secretary shall consider—

(1) the diversity of battery type;

(2) the geographic and climatic diversity; and

(3) the life-cycle environmental effects of the approaches.

(2) LIMITATION.—No 1 project selected under this section shall receive more than 75 percent of the funds made available to carry out the program under this section.
(4) NON-FEDERAL INVOVLEMENT.—In selecting proposals, the Secretary shall consider the extent of involvement of State or local government and other persons in each demonstration project to optimize use of Federal resources.

(5) OTHER CRITERIA.—In selecting proposals, the Secretary may consider such other criteria as the Secretary considers appropriate.

(c) APPLICATION.—In carrying out this section, the Secretary shall require that—

(1) relevant information be provided to—

(A) the Department;

(B) the users of the batteries; and

(C) the proposers of a project under this section; and

(2) the battery manufacturers; and

(3) the users of the batteries; and

(4) the Secretary shall consider the special needs and opportunities for increased energy efficiency for manufactured batteries, and other persons in each demonstration project the Secretary may consider.

(f) ADVISORY COMMITTEE.—The Secretary shall establish an advisory committee to advise the Secretary on the establishment of Centers under this section. The advisory committee shall be composed of not fewer than 12 individuals, each of whom shall have expertise in the area of advanced energy methods and technologies, including at least 1 representative from—

(1) State or local energy offices;

(2) energy professionals;

(3) trade or professional associations;

(4) architects, engineers, or construction professionals;

(5) manufacturers;

(6) the research community; and

(7) nonprofit energy or environmental organizations.

(g) DEFINITIONS.—For purposes of this section:

(1) ADVANCED ENERGY METHODS AND TECHNOLOGIES.—The term "advanced energy methods and technologies" means all methods and technologies that promote energy efficiency and conservation, including distributed generation technologies, and improve the reliability and efficiency of energy use, and energy storage.

(2) CENTER.—The term "Center" means an Advanced Energy Technology Transfer Center established pursuant to this section.

(3) DISTRIBUTED GENERATION.—The term "distributed generation" means an electric power generation facility that is designed to serve retail electric consumers at or near the facility site.

(h) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated in section 911, there are authorized to be appropriated to carry out this section such sums as may be necessary for the purposes of this section.

Subtitle B—Distributed Energy and Electric Energy Systems

SEC. 921. DISTRIBUTED ENERGY AND ELECTRIC ENERGY SYSTEMS.

(a) IN GENERAL.—The Secretary shall carry out programs of research, development, demonstration, and commercial application on electric energy systems, including advanced energy methods and efficiency, to improve the reliability and efficiency of distributed energy resources and systems, integrating advanced energy technologies with grid and microgrid facilities, and to establish, coordinate, and oversee, pursuant to this section, a national laboratory, centers, and consortia thereof, to develop distributed energy systems.

(b) PROGRAM.—The Secretary shall establish a program to carry out the purposes of this section, including demonstration and development of small scale portable power devices.

(c) CATEGORIES OF GRANTS.—There are authorized to be appropriated for demonstration and development of small scale portable power devices, and each of fiscal years 2007 and 2008, $25,000,000.$

SEC. 923. MICRO-COGENERATION ENERGY TECHNOLOGY PROGRAMS.

(a) IN GENERAL.—The Secretary shall establish a program to carry out research, demonstration, and commercial application to improve the energy efficiency of high power density facilities, including data centers, server farms, and other facilities.

(b) TECHNIQUES.—The program shall consider techniques that provide significant improvement in thermal controls, metering, load management, peak load reduction, or the efficient cooling of electronics.

SEC. 924. DISTRIBUTED ENERgy TECHNOLOGY DEMOnSTRATION PROGRAMS.

(a) COORDINATING CONSORTIA PROGRAM.—The Secretary shall establish a program to encourage the coordination of interdepartmental participants for demonstrations designed to accelerate the use of distributed energy technologies (such as fuel cells, microturbines, reciprocating engines, thermally activated technologies, and combined heat and power systems) in highly energy intensive commercial applications.

(b) SMALL-SCALE PORTABLE POWER PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a program to encourage the demonstration and development of small scale portable power devices.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for research, development, and demonstration programs to develop working models of small scale portable power devices, and to perform research and development to identify and utilize the resources of universities that have demonstrated expertise with respect to advanced portable power devices for either civilian or military use.

SEC. 925. ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEMS.

(a) PROGRAM.—The Secretary shall establish a comprehensive research, development, and demonstration program to encourage the reliability, efficiency, and environmental integrity of electric transmission and distribution systems, with emphasis on enhancing the flexibility of small scale portable power devices.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary for each of fiscal years 2007 through 2009.

(c) DEFINITIONS.—For purposes of this section:

(1) DISTRIBUTED ENERGY SYSTEMS.—The term "distributed energy systems" means electric energy systems, including electric energy systems that do not require centralized generation, transmission, or distribution facilities.

(2) ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEMS.—The term "electric transmission and distribution systems" means the electrical distribution systems for electric power, including the transmission and distribution of electric energy.

(d) CATEGORIES OF GRANTS.—There are authorized to be appropriated for demonstration and development of distributed energy systems such sums as may be necessary for each of fiscal years 2007 through 2009.

SEC. 926. HIGH POWER DENSITY INDUSTRY PROGRAM.

(a) IN GENERAL.—The Secretary shall establish a program to carry out research, demonstration, and commercial application to improve the reliability of high power density facilities, including data centers, server farms, and other facilities.

(b) TECHNOLOGIES.—The program shall consider technologies that provide significant improvement in thermal controls, metering, load management, peak load reduction, or the efficient cooling of electronics.
(9) the development and use of advanced grid design, operation, and planning tools; (10) any other infrastructure technologies, as appropriate; and (11) technologies transfer and education.

(b) PROGRAM PLAN.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with other appropriate Federal agencies, shall prepare and submit to Congress a 5-year program plan to guide activities under this section.

(2) CONSULTATION.—In preparing the program plan, the Secretary shall consult with—

(A) states;
(B) electric utilities;
(C) manufacturers;
(D) institutions of higher education;
(E) other appropriate State and local agencies;
(F) environmental organizations;
(G) professional and technical societies; and
(H) any other persons the Secretary considers appropriate.

(c) IMPLEMENTATION.—The Secretary shall consider implementing the program under this section using a consortium of participants from industry, academia, and consumers, higher education, and National Laboratories.

(d) REPORT.—Not later than 2 years after the submission of the plan under subsection (b), the Secretary shall submit to Congress a report—

(1) describing the progress made under this section; and
(2) identifying any additional resources needed to continue the development and commercial application of transmission and distribution of infrastructure technologies.

(e) POWER DELIVERY RESEARCH INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on power delivery using advanced superconductors to deliver high temperature superconductivity.

(2) GOALS.—The goals of the Initiative shall be—

(A) to develop and use advanced grid design, operation, and planning techniques, and to establish a comprehensive grid optimization framework for the transmission grid, taking advantage of distributed generation and demand response technologies; (B) to facilitate the integration of very low impedance high temperature superconducting wires and cables in existing electric networks to improve system performance, power flow control, and reliability.

(3) INCLUSIONS.—The Initiative shall include—

(A) high temperature superconducting power cables for in-service transmission; (B) demonstration of transmission grid augmentation using higher education institutions and National Laboratories; (C) development of standards and code requirements for high temperature superconducting power systems; (D) technologies to demonstrate the commercial deployment of high temperature superconducting cables in real-world applications; and (E) a program to support the development and implementation of high temperature superconducting power cables and related technologies.

(f) TRANSMISSION AND DISTRIBUTION GRID PLANNING AND OPERATIONS INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on tools needed to plan, operate, and expand the transmission and distribution grids in the presence of competitive market mechanisms for energy, load demand, customer response, and ancillary services.

(2) GOALS.—The goals of the Initiative shall be—

(A) to develop and use a geographically distributed center, consisting of institutions of higher education, and National Laboratories, with expertise and facilities to develop the underlying theory and software for power system application; and
(B) to ensure commercial development in partnerships with software vendors and utilities.

(g) ENERGY RESOURCES INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on advanced energy resources technologies.

(2) GOALS.—The goals of the Initiative shall be—

(A) to develop and use a geographically distributed center, consisting of institutions of higher education, and National Laboratories, with expertise and facilities to develop the underlying theory and software for power system application; and
(B) to ensure commercial development in partnerships with software vendors and utilities.

(h) PLANNING AND OPERATIONS INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on power delivery using advanced superconductors to deliver high temperature superconductivity.

(2) GOALS.—The goals of the Initiative shall be—

(A) to develop and use advanced grid design, operation, and planning techniques, and to establish a comprehensive grid optimization framework for the transmission grid, taking advantage of distributed generation and demand response technologies; (B) to facilitate the integration of very low impedance high temperature superconducting wires and cables in existing electric networks to improve system performance, power flow control, and reliability.

(3) INCLUSIONS.—The Initiative shall include—

(A) high temperature superconducting power cables for in-service transmission; (B) demonstration of transmission grid augmentation using higher education institutions and National Laboratories; (C) development of standards and code requirements for high temperature superconducting power systems; (D) technologies to demonstrate the commercial deployment of high temperature superconducting cables in real-world applications; and (E) a program to support the development and implementation of high temperature superconducting power cables and related technologies.
In general—The Secretary shall conduct analysis and evaluation in support of the renewable energy programs under this subtitle. These activities shall be used to guide budget and program decisions and shall include—

(A) economic and technical analysis of renewable energy potential, including resource assessment;

(B) analysis of past program performance, both in terms of technical advances and in market introduction of renewable energy; and

(C) any other analysis or evaluation that the Secretary considers appropriate.

(2) FUNDING.—The Secretary may designate up to 1 percent of the funds appropriated for carrying out this subtitle for analysis and evaluation activities under this section.

SEC. 932. BIOENERGY PROGRAM.

(a) DEFINITIONS.—In this section:

(1) BIOMASS.—The term “biomass” means—

(A) any organic material grown for the purpose of being converted to energy; or

(B) any organic byproduct of agriculture (including wastes from food production and processing) that can be converted into energy; or

(C) any waste material that can be converted to energy, is segregated from other waste materials, and is derived from—

(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, brush, or otherwise nonmerchantable material; or

(ii) wood waste materials, including waste pallets, crates, damage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes); and landscape or right-of-way tree thinnings, but not including municipal solid waste, gas derived from the biodegradation of municipal solid waste, or paper that is commonly recycled.

(b) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for bioenergy, including—

(1) biopower energy systems;

(2) biofuels;

(3) bioproducts;

(4) integrated biorefineries that may produce biopower, biofuels, and bioproducts;

(5) cross-cutting research and development in feedstocks; and

(6) economic analysis.

(c) BIOFUELS AND BIOPRODUCTS.—The goals of the biofuels and bioproducts programs shall be to develop, in partnership with industry and institutions of higher education—

(1) advanced biochemical and thermochemical conversion technologies capable of making fuels from lignocellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel-cell powered vehicles;

(2) advanced biotechnology processes capable of making fuels from lignocellulosic feedstocks, with emphasis on reducing the dependence of industry on fossil fuels in manufacturing facilities; and

(3) advanced biotechnology processes that will enable the development of cost-effective bioproducts, including biofuels.

(d) INTEGRATED BIOREFINERY DEMONSTRATION PROGRAM.

(1) IN GENERAL.—The Secretary shall carry out a program to demonstrate the commercial application of integrated biorefineries. The Secretary shall ensure geographical distribution of biorefinery demonstrations under this subsection. The Secretary shall not provide more than $100,000,000 in funding under this subsection for any single biorefinery demonstration. In making awards under this subsection, the Secretary shall encourage—

(A) the demonstration of a wide variety of lignocellulosic feedstocks;

(B) the commercial application of biomass technologies for fuel production, including—

(i) liquid transportation fuels;

(ii) high-value biobased chemicals; and

(iii) substituents for petroleum-based feedstocks and products; and

(C) energy in the form of electricity or useful heat; and

(D) the demonstration of the collection and treatment of a variety of biomass feedstocks.

(2) PROPOSALS.—Not later than 6 months after the date of enactment of this Act, the Secretary shall solicit proposals for demonstration of advanced biorefineries. The Secretary shall select only proposals that—

(A) demonstrate that the project will be able to operate profitably without direct Federal subsidy after initial construction costs are paid; and

(B) enable the biorefinery to be easily replicated.

(e) UNIVERSITY BIODIESEL PROGRAM.—The Secretary shall establish a demonstration program to determine the feasibility of the operation of diesel electric power generators, using biodiesel fuels with ratings as high as B100, at electric power-generating facilities owned by institutions of higher education. The program shall examine—

(1) heat rates of diesel fuels with large quantities of vegetable oils;

(2) the reliability of operation of various fuel blends;

(3) performance in cold or freezing weather;

(4) stability of fuel after extended storage; and

(5) other criteria, as determined by the Secretary.

SEC. 933. LOW-COST RENEWABLE HYDROGEN AND INFRASTRUCTURE FOR VEHICLE PROPULSION.

The Secretary shall—

(1) establish a research, development, and demonstration program to determine the feasibility of using hydrogen propulsion in light-weight vehicles and the integration of the associated hydrogen production infrastructure using off-the-shelf components; and

(2) identify universities and institutions that—

(A) have expertise in researching and testing vehicles fueled by hydrogen, methane, and other fuels; and

(B) have expertise in integrating off-the-shelf components to minimize cost; and

(3) within 2 years can test a vehicle based on an existing commercially available platform with a curb weight of not less than 2,000 pounds before modifications, that—

(i) operates solely on hydrogen;

(ii) qualifies as a light-duty passenger vehicle; and

(iii) uses hydrogen produced from water using only solar energy.

(b) L I M I T O N F E D E R A L F U N D I N G .—Notwithstanding section 988, the Secretary shall provide under this section no more than 40 percent of the incremental costs of the solar or other renewable energy source project funded.

(c) R E Q U I R E M E N T S .—As part of the application for awards under this subsection, the Secretary shall require all applicants—

(1) to demonstrate a continuing commitment to the use of solar and other renewable energy sources in buildings owned or operated by a State or local government, and for the dissemination of information resulting from such demonstration to interested parties.

(b) LIMIT ON FEDERAL FUNDING.—Notwithstanding section 988, the Secretary shall provide under this section no more than 40 percent of the incremental costs of the solar or other renewable energy source project funded.

(d) R E Q U I R E M E N T S .—As part of the application for awards under this subsection, the Secretary shall require all applicants—

(1) to demonstrate a continuing commitment to the use of solar and other renewable energy sources in buildings owned or operated by a State or local government, and for the dissemination of information resulting from such demonstration to interested parties.

Subtitle D—Agricultural Biomass Research and Development Programs

SEC. 941. AMENDMENTS TO THE BIOMASS RESEARCH AND DEVELOPMENT ACT OF 2000.

(a) DEFINITIONS.—Section 303 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) by striking paragraph (9); and

(2) by redesigning paragraphs (3), (4), (5), (6), (7), and (8) as paragraphs (4), (5), (7), (8), (9), and (10), respectively.

(b) BY INSERTING AFTER PARAGRAPH (1) THE FOLLOWING:

“(2) BIOMASS FUEL.—The term ‘biomass fuel’ means any transportation fuel produced from biomass.

“(3) BIOMASS PRODUCT.—The term ‘biomass product’ means an industrial product (including chemicals, materials, and polymers) produced from biomass, or a commercial or industrial product (including animal feed and electric power) derived in connection with the conversion of biomass to fuel.”

(2) by inserting after paragraph (5) (as redesignated by paragraph (2)) the following:
“(6) DEMONSTRATION.—The term ‘demonstration’ means demonstration of technology in a pilot plant or semi-works scale facility;’; and

(5) by striking paragraph (9) (as redesignated by paragraph (4)) and inserting the following:

“(9) NATIONAL LABORATORY.—The term ‘National Laboratory’ has the meaning given that term in section 2 of the Energy Policy Act of 2005.”

(b) COOPERATION AND COORDINATION IN BIOMASS RESEARCH AND DEVELOPMENT.—Section 304 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsections (a) and (d), by striking “industrial products” each place it appears and inserting “industrial products and fuels and biobased products’’;

(2) by redesignating subsections (b) and (c); and

(3) by redesigning subsection (d) as subsections (d) and (e).

(c) BIOMASS RESEARCH AND DEVELOPMENT BOARD.—Section 305 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsections (a) and (c), by striking “industrial products” each place it appears and inserting “fuels and biobased products’’;

(2) by striking paragraph (1), by striking “304(d)(1)(B)” and inserting “304(b)(1)(B)”;

(3) by striking “304(d)(1)(A)” and inserting “304(b)(1)(A)”;

(4) by striking subsection (c) and inserting the following:

“(c) PURPOSES.—The purposes of the Initiative are to develop—

(1) technologies and processes necessary for abundant commercial production of biobased fuels at prices competitive with fossil fuels;

(2) high-value biobased products—

(A) to enhance the economic viability of biobased fuels and biobased products; and

(B) as substitutes for petroleum-based feedstocks and products; and

(3) a diversity of sustainable domestic sources of biomass for conversion to biobased fuels and biobased products.

(c) PURPOSES.—The purposes of the Initiative are—

(1) to increase the energy security of the United States;

(2) to create jobs and enhance the economic development of the rural economy;

(3) to enhance the environment and public health;

(4) to diversify markets for raw agricultural and forestry products;

(d) TECHNICAL AREAS.—To advance the objectives and purposes of the Initiative, the Secretary of Agriculture and the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and heads of other appropriate departments and agencies (referred to in this section as the ‘‘Secretaries’’), shall direct research and development toward—

(1) feedstock production through the development of crops and cropping systems relevant to the needs of materials for conversion to biobased fuels and biobased products, including—

(A) development of advanced and dedicated crops using, including enhanced yield productivity, broader site range, low requirements for chemical inputs, and enhanced processing;

(B) advanced crop production methods to achieve the features described in subparagraph (A);

(C) feedstock harvest, handling, transport, and storage; and

(D) strategies for integrating feedstock production into existing managed land;

(2) overcoming recalcitrance of cellulosic biomass through developing technologies for converting cellulosic biomass into intermediates that can subsequently be converted into biobased fuels and biobased products, including—

(A) pretreatment in combination with enzymatic or microbial hydrolysis; and

(B) thermochemical approaches, including gasification and pyrolysis;

(3) product diversification through technological and market development of a range of biobased products (including chemicals, animal feeds, and cogenerated power) that eventually can increase the feasibility of fuel production in a bioenergy-based industrial park;

(A) catalytic processing, including thermochemical fuel production;

(B) metabolic engineering, enzyme engineering, and fermentation systems for biological production of desired products or cogeneration of power;

(C) product recovery;

(D) power production technologies; and

(E) integration into existing biomass processing facilities, including starch ethanol plants, paper mills, and power plants; and

(4) analysis that provides strategic guidance for the application of biobased technologies in agriculture and with real agencies and other appropriate departments and agencies, including—

(a) that promotes sustainable, long-term biomass production by seeking synergies and continuity with current technologies and practices, such as those for use of dried distillers grains as a bridge feedstock;

(b) to maximize the environmental, economic, and social benefits of production of biobased fuels and biobased products on a large scale through life-cyle economic and environmental analysis and other means; and

(c) to assess the potential of Federal land and resource management programs as feedstock resources for biobased fuels and biobased products, consistent with the integrity of soil and water resources and with other environmental considerations.

(4) ELIGIBLE ENTITIES.—To be eligible for a grant, contract, or assistance under this section, an applicant shall be—

(1) an institution of higher education;

(2) a National Laboratory;

(3) a Federal research agency;

(4) a State research agency;

(5) a private sector entity;

(6) a nonprofit organization; or

(7) a consortium of 2 or more entities described in paragraphs (1) through (6).

(g) ADMINISTRATION.—

(1) IN GENERAL.—After consultation with the Board, the President shall—

(A) publish annually 1 or more joint requests for proposals for grants, contracts, and assistance under this section;

(B) assure that grants, contracts, and assistance under this section be awarded competitively, on the basis of merit, after the establishment of procedures that provide for a broad and open panel of scientific and technical peers; and

(C) give some preference to applications that—

(i) involve a consortia of experts from multiple institutions;

(ii) encourage the integration of disciplines and application of the best technical resources; and

(iii) increase the geographic diversity of demonstration projects.

(2) DISTRIBUTION OF FUNDING BY TECHNICAL AREA.—Of the funds authorized to be appropriated for activities described in this section, funds shall be distributed for each of fiscal years 2007 through 2010 as to achieve an approximate distribution of—

(A) 20 percent of the funds to carry out activities for feedstock production under subsection (d)(1); and

(B) 45 percent of the funds to carry out activities for overcoming recalcitrance of cellulosic biomass under subsection (d)(2); and

(C) 20 percent of the funds to carry out activities for product diversification under subsection (d)(3); and

(D) 5 percent of the funds to carry out activities for strategic guidance under subsection (d)(4).

(3) DISTRIBUTION OF FUNDING WITHIN EACH TECHNICAL AREA.—Within each technical area described in paragraphs (1) through (3) of subsection (d), funds shall be distributed for each of
fiscal years 2007 through 2010 so as to achieve an approximate distribution of—

(A) 15 percent of the funds for applied fundamental;

(B) 35 percent of the funds for innovation; and

(C) 50 percent of the funds for demonstration.

(4) MATCHING FUNDS.—

(A) IN GENERAL.—A minimum 20 percent funding match shall be required for demonstration projects under this title.

(B) COMMERCIAL APPLICATIONS.—A minimum of 50 percent funding match shall be required for commercial application projects under this title.

(5) TECHNOLOGY AND INFORMATION TRANSFER TO AGRICULTURAL USERS.—The Administrator of the Cooperative State Research, Education, and Extension Service and the Chief of the Natural Resources Conservation Service shall ensure that applicable research results and technologies from the Initiative are adapted, made available, and disseminated through those services, as appropriate.

(f) ANNUAL REPORTS.—Section 309 of the Biomass Research and Development Act of 2000 (Public Law 106-224; 7 U.S.C. 8101 note) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking “purposes described in section 307(b)” and inserting “objectives, purposes, and additional considerations described in subsections (b) through (e) of section 307”;

(ii) in subparagraph (B), by striking “and” and inserting “at the end;”;

(iii) by redesignating subparagraph (C) as subparagraph (D); and

(iv) by inserting after subparagraph (B) the following:—

“(2) establishes the distribution of funds described in paragraphs (2) and (3) of section 307(g); and”;

(B) in paragraph (2), by striking “industrial products” and inserting “fuels and biobased products”;

and

(2) by adding at the end of the following:

“(c) UPDATES.—The Secretary and the Secretary of Energy shall update the Vision and Roadmap documents prepared for Federal biomass research and development activities.”.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 311 of the Biomass Research and Development Act of 2000 (Public Law 106-224; 7 U.S.C. 8101 note) is amended by striking title “$54,000,000 for each of fiscal years 2002 through 2007” and inserting “$200,000,000 for each of fiscal years 2006 through 2015”.

(h) REPEAL OF SUNSET PROVISION.—Section 311 of the Biomass Research and Development Act of 2000 (Public Law 106-224; 7 U.S.C. 8101 note) is repealed.

SEC. 942. PRODUCTION INCENTIVES FOR CELULOSIC BIOFUELS.

(a) PURPOSE.—The purpose of this section is to—

(1) accelerate deployment and commercialization of cellulosic fuels;

(2) deliver the first 1,000,000,000 gallons in annual cellulosic biofuels production by 2015;

(3) ensure biofuels produced after 2015 are cost competitive with gasoline and diesel;

(4) ensure that small feedstock producers and rural small businesses are full participants in the development of the cellulosic biofuels industry;

(b) DEFINITIONS.—In this section:

(1) CELLULOSIC BIOFUELS.—The term “cellulosic biofuels” means any fuel that is produced from cellulosic feedstocks.

(2) ELIGIBLE ENTITY.—The term “eligible entity” means a producer of fuel from cellulosic biofuels the production facility of which—

(A) is located in the United States;

(B) meets all applicable Federal and State permitting requirements; and

(c) meets any financial criteria established by the Secretary.

(3) PROGRAM.—

(E) ESTABLISHMENT.—The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Defense, and the Administrator of the Environmental Protection Agency, shall establish an incentive program for the production of cellulosic biofuels.

(4) BASIS OF INCENTIVES.—Under the program, the Secretary shall award production incentives on a per gallon basis of cellulosic biofuels from eligible entities, that—

(A) set payments per gallon of cellulosic biofuels produced in an amount determined by the Secretary, until initiation of the first reverse auction; and

(B) reverse auction thereafter.

(5) FIRST REVERSE AUCTION.—The first reverse auction shall be held on the earlier of—

(A) not later than 1 year after the first year of annual production in the United States of 100,000,000 gallons of cellulosic biofuels, as determined by the Secretary; or

(B) not later than 2 years after the date of enactment of this Act.

(6) REVERSE AUCTION PROCEDURE.—

(A) IN GENERAL.—On initiation of the first reverse auction, and each year thereafter until the earlier of the first year of annual production in the United States of 1,000,000,000 gallons of cellulosic biofuels established by the Secretary, or 10 years after the date of enactment of this Act, the Secretary shall conduct a reverse auction at which—

(i) the Secretary shall solicit bids from eligible entities;

(ii) eligible entities shall submit—

(I) a desired level of production incentive on a per gallon basis; and

(II) an estimated annual production amount in gallons; and

(iii) the Secretary shall issue awards for the production amount submitted, beginning with the eligible entity submitting the bid for the lowest level of production incentive on a per gallon basis and meeting such other criteria as are established by the Secretary, until the amount of funds available for the reverse auction is committed.

(B) AMOUNT OF INCENTIVE RECEIVED.—An eligible entity selected by the Secretary through a reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced by the entity during the first 6 years of operation.

(C) COMMENCEMENT OF PRODUCTION OF CELLULOSIC BIOFUELS.—As a condition of the receipt of an incentive pursuant to subsection (b), an eligible entity shall secure an agreement with the Secretary under which the eligible entity agrees to begin production of cellulosic biofuels not later than 3 years after the date of the reverse auction in which the eligible entity participates.

(D) LIMITATIONS.—Awards under this section shall be limited to—

(1) a per gallon amount determined by the Secretary during the first 4 years of the program;

(2) a declining per gallon cap over the remaining lifetime of the program, to be established by the Secretary so that cellulosic biofuels produced after the first year of annual cellulosic biofuels production in the United States in excess of 1,000,000,000 gallons are cost competitive with gasoline and diesel;

(3) not more than 25 percent of the funds committed within each reverse auction to any 1 project;

(4) not more than 100,000,000 in any 1 year; and

(5) not more than $1,000,000,000 over the lifetime of the program.

(e) PRIORITY.—In selecting a project under the program, the Secretary shall give priority to projects that—

(1) demonstrate outstanding potential for local and regional economic development;

(2) include agricultural producers or cooperatives of agricultural producers as equity partners in the ventures; and

(3) have a strategic agreement in place to fairly and expediently sell the biobased productmarketing and certification of the products; and

(f) AUTHORIZATIONS OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $250,000,000.

SEC. 943. PROCUREMENT OF BIOMASS PRODUCTS.

(a) FEDERAL PROCUREMENT.—Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended—

(A) by redesigning paragraphs (4), (5), and (6) as paragraphs (3), (5), and (7), respectively; and

(B) by inserting after paragraph (3) the following:

“(7) PROCUREMENT.—The term ‘procuring agency’ means—

(A) any Federal agency that is using Federal funds for procurement; or

(B) any person contracting with any Federal agency with respect to work performed under the contract.”.

(b) CAPITOL COMPLEX PROCUREMENT.—Section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102) is amended—

(A) by striking “Federal agency” each place it appears (other than in subsections (f) and (g)) and inserting “procuring agency”;

(B) in subsection (c)(2)—

(i) by striking “(2)” and all that follows through “Notwithstanding” and inserting the following:

“(2) FLEXIBILITY.—Notwithstanding”,

(ii) by striking “an agency” and inserting “a procuring agency”; and

(iii) by striking “the agency” and inserting “the procuring agency”;

and

(C) in subsection (d), by striking “procured by Federal agencies” and inserting “procured by procuring agencies”; and

(D) in subsection (e), by striking “Federal agencies” and inserting “procuring agencies”.

(C) meets any financial criteria established by the Secretary.

(D) MINIMUM 20 PERCENT PRODUCTION INCENTIVE.—Under the program, not later than 4 years after the date of enactment of this Act, the Secretary shall conduct a reverse auction at which—

(i) the Secretary shall solicit bids from eligible entities;

(ii) eligible entities shall submit—

(I) a desired level of production incentive on a per gallon basis; and

(II) an estimated annual production amount in gallons;

(iii) the Secretary shall issue awards for the production amount submitted, beginning with the eligible entity submitting the bid for the lowest level of production incentive on a per gallon basis and meeting such other criteria as are established by the Secretary, until the amount of funds available for the reverse auction is committed.

(E) AMOUNT OF INCENTIVE RECEIVED.—An eligible entity selected by the Secretary through a reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced by the entity during the first 6 years of operation.

(F) COMMENCEMENT OF PRODUCTION OF CELLULOSIC BIOFUELS.—As a condition of the receipt of an incentive pursuant to subsection (b), an eligible entity shall enter into an agreement with the Secretary under which the eligible entity agrees to begin production of cellulosic biofuels not later than 3 years after the date of the reverse auction in which the eligible entity participates.

(G) LIMITATIONS.—Awards under this section shall be limited to—

(1) a per gallon amount determined by the Secretary during the first 4 years of the program;

(2) a declining per gallon cap over the remaining lifetime of the program, to be established by the Secretary so that cellulosic biofuels produced after the first year of annual cellulosic biofuels production in the United States in excess of 1,000,000,000 gallons are cost competitive with gasoline and diesel;

(3) not more than 25 percent of the funds committed within each reverse auction to any 1 project;

(4) not more than 100,000,000 in any 1 year; and

(5) not more than $1,000,000,000 over the lifetime of the program.

(H) PRIORITY.—In selecting a project under the program, the Secretary shall give priority to projects that—

(1) demonstrate outstanding potential for local and regional economic development;
and certification purposes described in subsection (c).

(b) ELIGIBLE ENTITIES.—

(1) IN GENERAL.—An entity eligible for a grant under this section is any manufacturer of biobased products that—

(A) proposes to use the grant for the biobased product marketing and certification purposes described in subsection (c); and

(B) has not previously received a grant under this section.

(2) DURATION.—In making grants under this section, the Secretary shall provide a preference to an eligible entity that has fewer than 50 employees.

(c) BIOBASED PRODUCT MARKETING AND CERTIFICATION GRANT PURPOSES.—A grant made under this section shall be used—

(1) to provide working capital for marketing of biobased products;

(2) to provide for the certification of biobased products to—

(A) qualify for the label described in section 9002(h)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102(h)(1)); or

(B) meet other biobased standards determined appropriate by the Secretary.

(d) MATCHING FUNDS.—

(1) IN GENERAL.—Grant recipients shall provide matching non-Federal funds equal to the amount of the grant.

(2) EXPENDITURE.—Matching funds shall be expended in advance of grant funding, so that for every dollar of grant that is advanced, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) AMOUNT.—A grant made under this section shall not exceed $100,000.

(f) ADMINISTRATION.—The Secretary shall establish such administrative requirements for grants under this section, including requirements for the grants, as the Secretary considers appropriate.

(g) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section, including requirements for the grants, as the Secretary considers appropriate.

(h) LIMITATIONS ON GRANTS.—

(1) NUMBER OF GRANTS.—Not more than 5 demonstration projects per fiscal year shall be funded under this section.

(2) NON-FEDERAL SHARE.—The non-Federal share of a project under this section shall not be less than 20 percent, as determined by the Secretary.

(i) CONDITION OF GRANT.—To be eligible for a grant under this section, a recipient of a grant or a participating entity shall agree to use the material harvested under the project—

(1) to produce ethanol; or

(2) for another energy purpose, such as the generation of electricity.

(j) AUTHORIZATION FOR APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2007 through 2010.

SEC. 946. PREPROCESSING AND HARVESTING DEMONSTRATION GRANTS.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the “Secretary”) shall make grants to enterprises owned by agricultural producers, for the purposes of demonstrating cost-effective, cellulosic biomass innovations including—

(1) pre-processing of feedstocks, including cleaning, separating and sorting, mixing or blending, and chemical or biochemical treatments, to add value and lower the cost of feedstock prior to an independent contracting entity, a program of education and outreach on biobased fuels and biobased products consisting of—

(1) training and technical assistance programs for feedstock producers to promote producer ownership, investment, and participation in the operation of processing facilities; and

(2) public outreach to familiarize consumers with the biobased fuels and biobased products.

(b) LIMITATIONS ON GRANTS.—

(1) NUMBER OF GRANTS.—There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2007 through 2010.

SEC. 947. EDUCATION AND OUTREACH.

(a) IN GENERAL.—The Secretary of Agriculture shall establish, within the Department of Agriculture, a grant program for education and outreach on biobased fuels and biobased products consisting of—

(1) training and technical assistance programs for feedstock producers to promote producer ownership, investment, and participation in the operation of processing facilities; and

(2) public outreach to familiarize consumers with the biobased fuels and biobased products.

(b) AUTHORIZATION FOR APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2007 through 2010.

SEC. 948. REPORTS.

(a) BIOBASED PRODUCT POTENTIAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture (referred to in this section as the “Secretary”) shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) describes the economic potential for the United States of the widespread production and use of commercial and industrial biobased products through calendar year 2025; and

(2) as the maximum extent practicable, identifies the economic potential by product area.

(b) ANALYSIS OF ECONOMIC INDICATORS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress an analysis of economic indicators of the biobased economy within the region served by the eligible entity.

Subtitle E—Nuclear Energy

SEC. 951. NUCLEAR ENERGY.

(a) IN GENERAL.—The Secretary shall conduct programs of civilian nuclear energy research, development, demonstration, and commercial application, including activities described in this subtitle. Programs under this subtitle shall take into consideration the following objectives:

(1) Encouraging nuclear energy as part of the United States energy portfolio.

(2) Providing the technical means to reduce the likelihood of nuclear proliferation.

(3) Maintaining a cadre of nuclear scientists and engineers.

(4) Maintaining National Laboratory and university nuclear programs, including their infrastructure.

(5) Supporting both individual researchers and multidisciplinary teams of researchers to develop new approaches in nuclear energy, science, and technology.

(6) Developing, planning, constructing, acquiring, and operating special equipment and facilities for the use of researchers.

(7) Supporting technology transfer and other appropriate activities to assist the nuclear energy industry, and other users of nuclear science and engineering, including activities addressing reliability, availability, productivity, component aging, safety, and security of nuclear power plants.

(8) Reducing the environmental impact of nuclear energy-related activities.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CERTIFICATION GRANTS.—There are authorized to be appropriated to the Secretary to carry out nuclear energy research, development, demonstration, and commercial application activities, including activities authorized under this subtitle, other than those described in subsection (c)—

(1) $339,000,000 for fiscal year 2007;

(2) $355,000,000 for fiscal year 2008; and

(3) $455,000,000 for fiscal year 2009.

(c) NUCLEAR INFRASTRUCTURE AND FACILITIES.—There are authorized to be appropriated to the Secretary to carry out activities under section 955—

(1) $135,000,000 for fiscal year 2007;

(2) $140,000,000 for fiscal year 2008; and

(3) $155,000,000 for fiscal year 2009.

(d) ALLOCATIONS.—From amounts authorized under subsection (a), the following sums are authorized—

(1) For activities under section 953—

(A) $150,000,000 for fiscal year 2007;

(B) $155,000,000 for fiscal year 2008; and

(C) $275,000,000 for fiscal year 2009.

(2) For activities under section 954—

(A) $43,600,000 for fiscal year 2007;

(B) $50,100,000 for fiscal year 2008; and

(C) $56,000,000 for fiscal year 2009.

(3) For activities under section 957, $6,000,000 for each of fiscal years 2007 through 2009.

SEC. 952. NUCLEAR ENERGY RESEARCH PROGRAMS.

(a) NUCLEAR ENERGY RESEARCH INITIATIVE.—

The Secretary shall carry out a Nuclear Energy Research Initiative for research and development related to nuclear energy.

(b) NUCLEAR ENERGY SYSTEMS SUPPORT PROGRAM.—

The Secretary shall carry out a Nuclear Energy Systems Support Program to support research and development activities addressing reliability, availability, productivity, component aging, safety, and security of existing nuclear power plants.

(c) NUCLEAR POWER 2010 PROGRAM.—


(2) ADMINISTRATION.—The Program shall include—

(A) use of the expertise and capabilities of institutions of higher education, and National Laboratories in evaluation of advanced nuclear fuel cycles and fuels testing;
(B) consideration of a variety of reactor designs suitable for both developed and developing nations;
(C) participation of international collaborators in research, development, and design efforts, as appropriate; and
(D) encouragement for participation by institutions of higher education and industry.

(2) GENERATION IV NUCLEAR ENERGY SYSTEMS INITIATIVE.—

(1) IN GENERAL.—The Secretary shall carry out a Generation IV Nuclear Energy Systems Initiative to develop an overall technology plan for and to support research and development necessary to make an informed technical decision about the most promising candidates for eventual commercialization.

(2) ADMINISTRATION.—In carrying out the Initiative, the Secretary shall—
(A) examine advanced proliferation-resistant and passively safe reactor designs, including designs that—

(A) are economically competitive with other electric power generation plants;
(B) have higher efficiency, lower cost, and improved safety compared to reactors in operation on the date of enactment of this Act;
(C) use fuels that are proliferation resistant and have substantially reduced production of high-level waste per unit of output; and
(D) use improved instrumentation.

(B) REACTOR PRODUCTION OF HYDROGEN.—The Secretary shall carry out research and development plans in support of designs for high-temperature reactors capable of producing large-scale quantities of hydrogen.

SEC. 953. ADVANCED FUEL CYCLE INITIATIVE.

(a) IN GENERAL.—The Secretary, acting through the Director of the Office of Nuclear Energy, Science and Technology, shall conduct an advanced fuel recycling technology research, development, and demonstration program (referred to in this section as the “program”) to evaluate proliferation-resistant fuel recycling and transmutation technologies that minimize environmental and public health and safety impacts and enhance the potential for aqueous reprocessing technologies deployed as of the date of enactment of this Act in support of evaluation of alternative national strategies for spent nuclear fuel and the Generation IV advanced reactor concepts.

(b) ANNUAL REVIEW.—The program shall be subject to annual review by the Nuclear Energy Research Advisory Committee of the Department or other independent entity, as appropriate.

(c) INTERNATIONAL COOPERATION.—In carrying out the program, the Secretary is encouraged to enter into cooperative arrangements to enhance the progress of the program through international cooperation.

(d) REPORTS.—The Secretary shall submit, as part of the annual budget submission of the Department, a report on the activities of the program.

SEC. 954. UNIVERSITY NUCLEON SCIENCE AND ENGINEERING SUPPORT.

(a) IN GENERAL.—The Secretary shall conduct a program to invest in human resources and infrastructure in the nuclear sciences and related fields, including health physics, nuclear engineering, and radiochemistry, consistent with missions of the Department related to civilian nuclear research, development, demonstration, and commercial applications.

(b) REQUIREMENTS.—In carrying out the program under this section, the Secretary shall—

(1) conduct a graduate and undergraduate fellowship program to attract new and talented nuclear and radiochemistry students, which may include fellowships for students to spend time at National Laboratories in the areas of nuclear science, engineering, and health physics, and make a member of the National Laboratory staff acting as a mentor;
(2) conduct a junior faculty research initiation grant program to assist universities in recruiting new faculty in the nuclear sciences and engineering by awarding grants to junior faculty for research on issues related to nuclear energy engineering and science;
(3) support fundamental nuclear sciences, engineering, and health physics research through graduate nuclear engineering education and research program;
(4) encourage collaborative nuclear research among industry, National Laboratories, and universities;
(5) support communication and outreach related to nuclear science, engineering, and health physics.

(3) UNIVERSITY-NATIONAL LABORATORY INTERACTIONS.—The Secretary shall carry out—
(A) a fellowship program for professors at universities to spend sabbaticals at National Laboratories in the areas of nuclear science and technology;
(B) a visiting scientist program in which National Laboratory staff can spend time in academic nuclear science and engineering departments.

(4) STRENGTHENING UNIVERSITY RESEARCH AND TRAINING REACTORS AND ASSOCIATED INFRASTRUCTURE.—In carrying out the program under this section, the Secretary shall—

(A) provide research support for research reactors to examine advanced proliferation-resistant and passively safe reactor designs;
(B) include information on current domestic and international Department, Department of Energy, Science and Technology, shall conduct a research and development program to manage and dispose of radioactive large radioactive sources.

(3) ADMINISTRATION.—The survey shall—

(A) include well-logging sources as 1 class of industrial sources;
(B) include information on current domestic and international Department, Department of Defense, State Department, and commercial programs to manage and dispose of radioactive sources; and
(C) analyze available disposal options for currently deployed or future sources and, if deficiencies are noted for either deployed or future sources, recommend legislative options that Congress may consider to remedy identified deficiencies.

(4) PROGRAM.—In conjunction with the survey conducted under subsection (a), the Secretary shall—

(A) conduct a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(B) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(C) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this subtitle will be generally recognized to be among the best in the world.

(5) DUTIES.—In carrying out this section, the Secretary shall—

(1) develop an inventory of nuclear science and engineering facilities, equipment, expertise, and other assets at all of the National Laboratories;
(2) develop a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(3) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(4) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this subtitle will be generally recognized to be among the best in the world.

(6) DUTIES.—In carrying out this section, the Secretary shall—

(A) develop a comprehensive plan for the facilities at the Idaho National Laboratory, especially taking into account the configuration of hot cells most likely to be utilized by other physical science and engineering facilities, equipment, expertise, and other assets that currently exist at other National Laboratories, and consider the establishment of a national transuranic analytic chemistry laboratory as a user facility at the Idaho National Laboratory;
(B) include a plan to develop, if feasible, the Advanced Test Reactor and Test Reactor Area into a user facility that is more readily accessible to academic and industrial researchers;
(C) consider the establishment of a fast neutron source as a user facility;
(D) consider the establishment of new hot cells and the configuration of hot cells most likely to advance research, development, demonstration, and commercial application in nuclear science and engineering, especially in the context of the condition and availability of these facilities elsewhere in the National Laboratories; and
(E) include a plan to develop, if feasible, the Advanced Test Reactor and Test Reactor Area into a user facility that is more readily accessible to academic and industrial researchers;

(2) STRENGTHENING UNIVERSITY RESEARCH AND TRAINING REACTORS AND ASSOCIATED INFRASTRUCTURE.—In carrying out the program under this section, the Secretary shall—

(1) examine advanced proliferation-resistant and passively safe reactor designs;
(2) include information on current domestic and international Department, Department of Energy, Science and Technology, shall conduct a research and development program to manage and dispose of radioactive large radioactive sources.

(3) ADMINISTRATION.—The survey shall—

(A) include well-logging sources as 1 class of industrial sources;
(B) include information on current domestic and international Department, Department of Defense, State Department, and commercial programs to manage and dispose of radioactive sources; and
(C) analyze available disposal options for currently deployed or future sources and, if deficiencies are noted for either deployed or future sources, recommend legislative options that Congress may consider to remedy identified deficiencies.

(4) PROGRAM.—In conjunction with the survey conducted under subsection (a), the Secretary shall—

(A) develop a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(B) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(C) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this subtitle will be generally recognized to be among the best in the world.

(5) DUTIES.—In carrying out this section, the Secretary shall—

(A) develop an inventory of nuclear science and engineering facilities, equipment, expertise, and other assets at all of the National Laboratories;
(B) develop a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(C) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(D) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this subtitle will be generally recognized to be among the best in the world.

(6) DUTIES.—In carrying out this section, the Secretary shall—

(A) develop an inventory of nuclear science and engineering facilities, equipment, expertise, and other assets at all of the National Laboratories;
(B) develop a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(C) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(D) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this subtitle will be generally recognized to be among the best in the world.

(7) report to the Congress on the status of the program, including, at a minimum—

(1) a description of the program plan;
(2) the status of the program and any adjustments made to the program plan; and
(3) an assessment of the risks associated with implementing the program plan.
commercial application programs in fossil energy, including activities under this subtitle, with the goal of improving the efficiency, effectiveness, and environmental performance of fossil energy production, conversion, and consumption. Such programs take into consideration the following objectives: (1) Increasing the energy conversion efficiency of all stages of fossil energy through improved technologies; (2) Decreasing the cost of all fossil energy production, generation, and delivery; (3) Improving the diversity of energy supply; (4) Decreasing the dependence of the United States on foreign energy supplies; (5) Increasing United States energy security; (6) Decreasing the environmental impact of energy-related activities; (7) Increasing the export of fossil energy-related equipment, technology, and services from the United States.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out fossil energy research, development, demonstration, and commercial application activities, including activities authorized under this section—

(1) $611,000,000 for fiscal year 2007;
(2) $626,000,000 for fiscal year 2008; and
(3) $641,000,000 for fiscal year 2009.

(c) FROM AMOUNTS AUTHORIZED UNDER SUBSECTION (A), THE FOLLOWING SUMS ARE AUTHORIZED:

(1) For activities under section 962—

(A) $277,000,000 for fiscal year 2007;
(B) $376,000,000 for fiscal year 2008; and
(C) $394,000,000 for fiscal year 2009.

(2) For activities under section 964—

(A) $20,000,000 for fiscal year 2007;
(B) $25,000,000 for fiscal year 2008; and
(C) $30,000,000 for fiscal year 2009.

(d) FOR ACTIVITIES UNDER SECTION 966—

(A) $1,500,000 for fiscal year 2007; and
(B) $450,000 for each of fiscal years 2008 and 2009.

(e) FOR THE OFFICE OF ARCTIC ENERGY UNDER SECTION 3197 OF THE FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001 (42 U.S.C. 7144d) $25,000,000 for each of fiscal years 2007 through 2009.

(f) EXTENDED AUTHORIZATION.—There are authorized to be appropriated to the Secretary for the Office of Arctic Energy established under section 3197 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (42 U.S.C. 7144d) $25,000,000 for each of fiscal years 2010 through 2012.

(g) LIMITATIONS.—

(1) USES.—None of the funds authorized under this section may be used for Fossil Energy Environmental Restoration or Export/Import Authorization.

(2) INSTITUTIONS OF HIGHER EDUCATION.—Of the funds authorized under subsection (c)(2), not less than 20 percent of the funds appropriated for each fiscal year shall be dedicated to research and development carried out at institutions of higher education.

SEC. 962. COAL AND RELATED TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—In addition to the programs authorized under section 4(b), the Secretary shall conduct a program of technology research, development, demonstration, and commercial application for coal and power systems, including programs for the production and generation of coal-based power through—

(1) innovations for existing plants (including mercury removal);
(2) gasification systems;
(3) advanced combustion systems;
(4) turbines for synthesis gas derived from coal;
(5) carbon capture and sequestration research and development;
(6) coal-derived chemicals and transportation fuels;
(7) liquid fuels derived from low rank coal water slurries;
(8) solid fuels and feedstocks;
(9) advanced coal-related research; and
(10) advanced separation technologies.

(b) COST AND PERFORMANCE GOALS.—

(1) IN GENERAL.—In carrying out programs authorized by this section during each of calendar years 2008, 2010, 2012, and 2016, and during each fiscal year beginning after September 30, 2021, the Secretary shall identify cost and performance goals that would permit the continued cost-competitive use of coal for the production of electricity, chemical feedstocks, and transportation fuels.

(2) UNMET COST AND PERFORMANCE GOALS.—In preparing the cost and performance goals, the Secretary shall—

(A) conduct a program of technology research, development, and demonstration partnerships, to promote a robust carbon sequestration program and continue and expand the work of the Department, in conjunction with the private sector, through regional carbon sequestration partnerships.

(c) AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 961(b), the following sums are authorized for activities described in subsection (a)(2):—

(1) $25,000,000 for fiscal year 2006;
(2) $30,000,000 for fiscal year 2007; and
(3) $35,000,000 for fiscal year 2008.

SEC. 963. CARBON CAPTURE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a 10-year carbon capture research and development program to develop carbon dioxide capture technologies on combustion-based systems for use—

(1) in new coal utilization facilities; and
(2) on the fleet of coal-based units in existence on the date of enactment of this Act.

(b) OBJECTIVES.—The objectives of the program under subsection (a) shall be—

(1) to develop carbon dioxide capture technology that is affordable, scalable, and affordable in costs; and
(2) to develop processes for the capture of carbon dioxide and its separation from a reservoir.

(c) FUEL CELLS.—The Secretary shall conduct a program of research, development, demonstration, and commercial application on fuel cells for low-cost, high-efficiency, fuel-flexible, modular power systems.

(d) DEMONSTRATIONS.—The demonstrations referred to in paragraph (1) shall include solid oxide fuel cell technology for commercial, residential, and transportation applications, and distributed generation systems, using improved manufacturing production and processes.
(d) INTEGRATED CLEAN POWER AND ENERGY RESEARCH.  
(1) ESTABLISHMENT OF CENTER.—The Secretary shall establish a national center or consortia of excellence in clean energy and power generation, using the resources of the Clean Power and Energy Research Consortium in existence on the date of enactment of this Act, to address the interdependence of the United States on energy and the need to reduce emissions.  
(2) FOCUS AREAS.—The center or consortium shall conduct a program of research, development, demonstration, and commercial application on integrating the following 6 focus areas:  
(A) Efficiency and reliability of gas turbines for power generation;  
(B) Reduction in emissions from power generation;  
(C) Promotion of energy conservation efforts;  
(D) Effectively using alternative fuels and renewable energy;  
(E) Development of advanced materials technology for oil and gas exploration and use in harsh environments;  
(F) Education on energy and power generation issues.  

SEC. 966. LOW-VOLUME OIL AND GAS RESERVOIR RESEARCH PROGRAM.  
(a) DEFINITIONS.—In this section, the term "GIS" means geographic information system technology that facilitates the organization and management of data with a geographic component.  
(b) PROGRAM.—The Secretary shall establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.  
(c) DATA COLLECTION.—Under the program, the Secretary shall collect data on—  
(1) the status and location of marginal wells and oil and gas reservoirs;  
(2) the production capacity of marginal wells and oil and gas reservoirs;  
(3) the location of low-pressure gathering facilities and pipelines; and  
(4) the quantity of natural gas vented or flared in association with crude oil production.  
(d) ANALYSIS.—Under the program, the Secretary shall—  
(1) estimate the remaining producible reserves based on variable pipeline pressures; and  
(2) recommend measures that will enable the continued production of those resources.  
(e) STUDY.  
(1) IN GENERAL.—The Secretary may award a grant to an organization of States that contains significant numbers of marginal oil and natural gas wells to conduct an annual study of low-volume natural gas reservoirs.  
(2) INSTITUTION OF HIGHER EDUCATION.—If an organization receiving a grant under paragraph (1) does not have GIS capabilities, the organization shall contract with an institution of higher education with GIS capabilities.  
(3) STATE GEOLOGISTS.—The organization receiving a grant under paragraph (1) shall collaborate with the State geologist of each State being studied.  
(f) PUBLIC INFORMATION.—The Secretary may use the data collected and analyzed under this section to produce maps and literature to disseminate to States to promote conservation of natural gas reserves.  

SEC. 967. COMPLEX WELL TECHNOLOGY TESTING FACILITY.  
The Secretary, in coordination with industry leaders in extended research drilling technology, shall establish a Complex Well Technology Testing Facility at the Rocky Mountain Oilfield Testing Center to increase the range of extended drilling technologies.  

SEC. 968. METHANE HYDRATE RESEARCH.  
(a) IN GENERAL.—The Methane Hydrate Research and Development Program, as established by section 3004 of the Energy Policy Act of 2005, is amended to read as follows:  

"SECTION 1. SHORT TITLE.  
"This Act may be cited as the ‘Methane Hydrate Research and Development Act of 2006’.  

"SECTION 2. FINDINGS.  
"Congress finds that—  
"(1) in order to promote energy independence and meet the increasing demand for energy, the United States will require a diversified portfolio of supply sources and infrastructure;  
"(2) according to the report submitted to Congress by the National Research Council entitled ‘Charting the Future of Methane Hydrate Research in the United States’, the total United States resources of gas hydrates have been estimated to be on the order of 200,000 trillion cubic feet;  
"(3) according to the report of the National Commission on Energy Policy entitled ‘Ending the Energy Stalemate—A Bipartisan Strategy to Meet America’s Energy Challenge’, and dated December 2004, the United States may be endowed with over 1/4 of the methane hydrate deposits in the world; and  
"(4) according to the Energy Information Administration, a shortfall in natural gas supply from conventional and unconventional sources is expected to be about 2020; and  
"(5) the National Academy of Sciences states that methane hydrate may have the potential to alleviate the projected shortfall in the natural gas supply.  

"SECTION 3. DEFINITIONS.  
"In this Act:  
"(1) CONTRACT.—The term ‘contract’ means a procurement contract within the meaning of section 6303 of title 31, United States Code.  
"(2) COOPERATIVE AGREEMENT.—The term ‘cooperative agreement’ means a cooperative agreement within the meaning of section 6306 of title 31, United States Code.  
"(3) DIRECTOR.—The term ‘Director’ means the Director of the National Science Foundation.  
"(4) GRANT.—The term ‘grant’ means a grant awarded under a grant agreement (within the meaning of section 6304 of title 31, United States Code).  
"(5) INDUSTRIAL ENTERPRISE.—The term ‘industrial enterprise’ means a private, nongovernmental enterprise that has an expertise or capability that relates to methane hydrate research and development.  
"(6) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means an institution of higher education, as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).  
"(7) SECRETARY.—The term ‘Secretary’ means the Secretary of Energy, acting through the Assistant Secretary for Fossil Energy.  
"(8) SECRETARY OF COMMERCE.—The term ‘Secretary of Commerce’ means the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration.  
"(9) SECRETARY OF DEFENSE.—The term ‘Secretary of Defense’ means the Secretary of Defense, acting through the Secretary of the Navy.  
"(10) SECRETARY OF THE INTERIOR.—The term ‘Secretary of the Interior’ means the Secretary of the Interior, acting through the Director of the United States Geological Survey, the Director of the Bureau of Land Management, and the Director of the Minerals Management Service.  

"SEC. 4. METHANE HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.  
"(a) IN GENERAL.—  
"(1) COMMENCEMENT OF PROGRAM.—Not later than 90 days after the date of enactment of the Energy Research, Development, Demonstration, and Commercial Application Act of 2005, the Secretary, in consultation with the Secretary of Commerce, the Secretary of Defense, the Secretary of the Interior, and the Director, shall commence the program of methane hydrate research and development in accordance with this section.  

"(2) DESIGNATIONS.—The Secretary, the Secretary of Commerce, the Secretary of Defense, the Secretary of the Interior, and the Director shall designate individuals to carry out this section.  

"(3) COORDINATION.—The individual designated by the Secretary shall coordinate all activities within the Department of Energy relating to methane hydrate research and development.  

"(4) MEETINGS.—The individuals designated under paragraph (2) shall meet not later than 180 days after the date of enactment of the Energy Research, Development, Demonstration, and Commercial Application Act of 2005 and not less frequently than every 180 days thereafter to—  
"(A) review the progress of the program under paragraph (1); and  
"(B) coordinate interagency research and partnership efforts in carrying out the program.  

"(5) GRANTS, CONTRACTS, COOPERATIVE AGREEMENTS, INTERGOVERNMENTAL TRANSFER AGREEMENTS, AND FIELD WORK PROPOSALS.—  
"(A) ASSISTANCE AND COORDINATION.—In carrying out the program of methane hydrate research and development authorized by this section, the Secretary may award grants to, or enter into contracts or cooperative agreements with institutions of higher education, geographic institutions, and industrial enterprises to—  
"(i) conduct basic and applied research to identify, explore, assess, and develop methane hydrate as a commercially viable source of energy;  
"(ii) identify methane hydrate resources through remote sensing;  
"(iii) acquire and reprocess seismic data suitable for characterizing methane hydrate accumulations;  
"(iv) assist in developing technologies required for efficient and environmentally sound development of methane hydrates;  
"(v) promote education and training in methane hydrate resource research and resource development through fellowships or other means for graduate education and training;  
"(vi) conduct basic and applied research to assess and mitigate the environmental impact of hydrate degassing (including both natural degassing and degassing associated with commercial development);  
"(vii) develop technologies to reduce the risks of drilling through methane hydrates; and  
"(viii) conduct exploratory drilling, well testing, and production testing operations on permafrost and non-permafrost gas hydrates in accordance with the activities of this paragraph, including drilling of 1 or more full-scale production test wells.  

"(B) COMPETITIVE PEER REVIEW.—Funds made available under paragraph (1) shall be made available based on a competitive process using external scientific peer review of proposed research.  

"(c) METHANE HYDRATES ADVISORY PANEL.—  
"(1) IN GENERAL.—The Secretary shall establish an advisory panel (including a representative of appropriate staff) consisting of representatives of industrial enterprises, institutions of higher education, geographic institutions, State agencies, and environmental organizations with knowledge and expertise in the natural gas hydrates field, to—  
"(i) assist in developing recommendations and broad programmatic priorities for the methane hydrate research and development program carried out under subsection (a)(1);  
"(ii) provide scientific oversight for the methane hydrates program, including assessing progress toward program goals, evaluating program balance, and providing recommendations to enhance the quality of the program over time; and  
"(ii) not later than 2 years after the date of enactment of the Energy Research, Development, Demonstration, and Commercial Application Act of 2005, and at such later dates as the panel considers advisable, submit to Congress—
SEC. 971. SCIENCE.

(a) IN GENERAL.—The Secretary shall conduct, through a broad, diverse, group of research, development, demonstration, and commercial application in high energy physics, nuclear physics, biological and environmental research, basic and applied advanced scientific and computing research, and fusion energy sciences, including activities described in this subtitle. The programs shall include support for facilities and infrastructure, education, outreach, information, analysis, and coordination activities.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out research, development, demonstration, and commercial application activities of the Office of Science, including activities authorized under this subtitle (including the amounts authorized under the amendment made by section 976(b) and including basic energy sciences, advanced scientific and computing research, fusion energy sciences, high energy physics, nuclear physics, research analysis, and infrastructure support),—

(1) $4,153,000,000 for fiscal year 2007;
(2) $4,586,000,000 for fiscal year 2008; and
(3) $5,200,000,000 for fiscal year 2009.

(c) ALLOCATIONS.—The amounts authorized under subsection (b), the following sums are authorized:

(1) For activities under the Fusion Energy Sciences program (including activities under section 972)—

(A) $35,500,000 for fiscal year 2007;
(B) $36,500,000 for fiscal year 2008; and
(C) $37,500,000 for fiscal year 2009.

(2) For activities under the catalysis research program under section 973—

(A) $30,500,000 for fiscal year 2007;
(B) $32,000,000 for fiscal year 2008; and
(C) $33,500,000 for fiscal year 2009.

(3) For activities under the Systems Biology Program under section 974 such sums as may be necessary for each of fiscal years 2007 through 2008.

(4) For activities under the Energy and Water Supply program under section 975, $90,000,000 for each of fiscal years 2007 through 2009.

(5) For the advanced scientific computing activities under section 976—

(A) $270,000,000 for fiscal year 2007;
(B) $300,000,000 for fiscal year 2008; and
(C) $330,000,000 for fiscal year 2009.

(6) For the science and engineering education pilot program under section 983—

(A) $4,000,000 for each of fiscal years 2007 and 2008; and
(B) $5,000,000 for fiscal year 2009.

(d) INTEGRATED BIOENERGY RESEARCH AND DEVELOPMENT PROGRAM.—In addition to amounts otherwise authorized by this section, there are authorized to be appropriated to the Secretary for integrated bioenergy research and development programs $50,000,000 for each of the fiscal years 2005 through 2009. Activities funded under this subsection shall be coordinated with ongoing programs of other Federal departments and agencies including the Plant Genome Program of the National Science Foundation, of the funds authorized under this subsection, at least $5,000,000 for each fiscal year shall be directed toward education and activities targeted at minority and socially disadvantaged farmers and ranchers.

SEC. 972. FUSION ENERGY SCIENCES PROGRAM.

(a) DECLARATION OF POLICY.—It shall be the policy of the United States to conduct research, development, demonstration, and commercial application to provide for the scientific, engineering, and commercial infrastructure necessary to ensure that the United States is competitive with other countries in providing fusion energy or hydrogen production for the United States energy grid using fusion energy at the earliest date.

(b) PLANNING.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a plan (with proposed cost estimates, budgets, and lists of potential international partners) for the implementation of the policy described in subsection (a) in a manner that ensures that—

(A) existing fusion research facilities are more fully used;
(B) fusion science, technology, theory, advanced scientific and computing research, and fusion energy sciences are strengthened; and
(C) nuclear magnetic and inertial fusion research and development facilities are selected on the basis of scientific innovation and cost effectiveness, and the potential of the facilities to advance the goal of practical fusion energy at the earliest date practicable.

(2) COST-EFFECTIVE RATES.—A communication of scientific results and methods between the fusion energy science community and the broader scientific and technology communities is improved;

(3) inertial confinement fusion facilities are used to the extent practicable for the purpose of inertial fusion energy research and development;

(4) attractive alternative inertial and magnetic fusion energy approaches are more fully explored; and

(5) to the extent practicable, the recommendations of the Fusion Energy Sciences Advisory Committee in the report on workforce planning, dated March 2004, are carried out, including periodic reassessment of program needs.

(c) COSTS AND SCHEDULES.—The plan shall also address the status of and, to the extent practicable, costs and schedules for—

(1) the design and development of internationally and national facilities for the testing of fusion materials; and
(2) the design and implementation of international or national facilities for the testing of key fusion technologies.

(d) UNITED STATES PARTICIPATION IN ITER.—

(1) DEFINITIONS.—In this subsection:

(A) CONSTRUCTION.—

(i) The term “construction” means—

(I) the physical construction of the ITER facility; and
(II) the physical construction, purchase, or manufacture of equipment or components that are specifically designed for the ITER facility.

(ii) EXCLUSIONS.—The term “construction” does not include the design of the facility, equipment, or components.

(B) ITER.—The term “ITER” means the international burning plasma fusion research project in which the President announced United States participation on January 30, 2003, or any similar international project.

(2) PARTICIPATION.—The United States may participate in the ITER only in accordance with this subsection.

(3) AGREEMENT.—

(A) IN GENERAL.—The Secretary may negotiate an Agreement for United States participation in the ITER.

(B) CONTENTS.—Any agreement for United States participation in the ITER shall, at a minimum—

(i) clearly define the United States financial contribution to construction and operating...
costs, as well as any other costs associated with a project; (ii) ensure that the share of high-technology components of the ITER manufactured in the United States is at least proportionate to the United States financial contribution to the ITER, (iii) ensure that the United States will not be financially responsible for cost overruns in components manufactured in other ITER participating countries; (iv) guarantee the United States full access to all data derived from the ITER; (v) enable United States researchers to propose and carry out an equitable share of the experiments at the ITER, (vi) position the United States with a role in all collective decisionmaking related to the ITER; and (vii) describe the process for discontinuing or decommissioning the ITER and any United States role in that process.

(4) PLAN.—

(a) DEVELOPMENT.—The Secretary, in consultation with the Fusion Energy Sciences Advisory Committee, shall develop a plan for the participation of United States scientists in the ITER that shall include—

(1) the United States research agenda for the ITER,

(ii) methods to evaluate whether the ITER is promoting progress toward making fusion a reliable and affordable source of power; and

(iii) a description of how work at the ITER will relate to other elements of the United States fusion program.

(b) REVIEW.—The Secretary shall request a review of the plan by the National Academy of Sciences.

(5) LIMITATION.—No Federal funds shall be expended for the construction of the ITER until the Secretary has submitted to Congress—

(A) the agreement negotiated in accordance with paragraph (3) and 120 days have elapsed since that submission,

(B) a report describing the management structure of the ITER and providing a fixed dollar estimate of the cost of United States participation in the construction of the ITER, and 120 days have elapsed since that submission,

(C) a report describing how United States participation in the ITER will be funded without reducing other lower priority ITER programs in the Office of Science (including other fusion programs), and 60 days have elapsed since that submission; and

(D) the plan required by paragraph (4) (but not the National Academy of Sciences review of that plan), and 60 days have elapsed since that submission.

(6) ALTERNATIVE TO ITER.—

(A) IN GENERAL.—If at any time during the negotiations on the ITER, the Secretary determines that construction and operation of the ITER is unlikely or infeasible, the Secretary shall submit to Congress, along with the budget request of the President submitted to Congress for the following fiscal year, a plan for implementing a domestic burning plasma experiment such as the Fusion Ignition Research Experiment, including costs and schedules for the plan.

(B) ADMINISTRATION.—The Secretary shall—

(i) refine the plan in full consultation with the Fusion Energy Sciences Advisory Committee; and

(ii) transmit the plan to the National Academy of Sciences for review.

SEC. 973. CATALYSIS RESEARCH PROGRAM.

(a) ESTABLISHMENT.—The Secretary, acting through the Office of Science, shall support a program of research and development in catalysis science consistent with the statutory authorities of the Department related to research and development.

(b) COMPONENTS.—The program shall include efforts to—

(1) enable catalyst design using combinations of experimental and mechanistic methodologies coupled with computational modeling of catalytic reactions at the molecular level;

(2) develop techniques for high throughput synthesis, assay, and characterization at nanometer and subnanometer scales in situ under actual operating conditions;

(3) synthesize catalysts with specific site architectures;

(4) conduct research on the use of precious metals for catalytic science and engineering centers;

(5) translate molecular understanding to the design of catalytic compounds;

(c) DUTIES OF THE OFFICE OF SCIENCE.—In carrying out the program, the Director of the Office of Science shall—

(i) support both individual investigators and multidisciplinary teams of investigators to pioneer new approaches in catalytic design;

(ii) develop, plan, construct, acquire, share, or operate special equipment or facilities for the use of investigators in collaboration with national user facilities, such as nanoscience and engineering centers;

(iii) ensure that the United States will not be proportionate to the costs, as well as any other costs associated with research or demonstrations.

(iv) coordinate research and development activities with industry and other Federal agencies;

(vii) describe the process for discontinuing or decommissioning the ITER and any United States role in that process.

(2) GRANTS.—The program shall support indi-
SEC. 983. SCIENCE AND ENGINEERING EDUCATION PILOT PROGRAM.  
(a) ESTABLISHMENT OF PILOT PROGRAM.—The Secretary shall award a grant to a Southeastern United States consortium consisting of universities that currently advances science and education by partnering with National Laboratories, to establish a regional pilot program of its SEEK-16 program for enhancing scientific, technological, engineering, and mathematical literacy, creativity, and decision-making. The consortium shall include 1 and more universities that train substantial numbers of elementary and secondary school teachers, and (where appropriate) National Laboratories.  
(b) PROGRAM ELEMENTS.—The regional pilot program shall include—  
(1) expanding strategic, formal partnerships among universities that train substantial numbers of elementary and secondary school teachers, and the private sector;  
(2) combining Department expertise with 1 or more National Aeronautics and Space Administration Educator Resource Centers;  
(3) developing programs to permit current and future teachers to expand ongoing research projects at National Laboratories and research universities to and adapt lessons learned to the classroom;  
(4) designing and implementing course work;  
(5) designing and implementing a strategy for measuring and assessing progress under the program; and  
(6) developing models for transferring knowledge gained under the pilot program to other institutions and areas of the United States.  
(c) CATEGORIZATION.—A grant under this section shall be considered an authorized activity under section 3165 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7971).  
(d) REPORT.—No later than 2 years after the award of the grant, the Secretary shall transmit to Congress a report outlining lessons learned and, if determined appropriate by the Secretary, containing a plan for expanding the program throughout the United States.

SEC. 984. ENERGY RESEARCH FELLOWSHIPS.—  
(a) POSTDOCTORAL FELLOWSHIP PROGRAM.—The Secretary shall establish a program under which the Secretary provides fellowships to encourage outstanding young scientists and engineers to pursue positions in the fields of science, technology, engineering, and mathematics, to work in the fields of energy research and development at institutions of higher education of their choice.  
(b) SENIOR RESEARCH FELLOWSHIP.—  
(1) IN GENERAL.—The Secretary shall establish a program under which the Secretary provides fellowships to allow outstanding senior researchers and their research groups in energy research and development to explore research and development topics of their choosing for a period of not less than 3 years, to be determined by the Secretary.  
(2) CONSIDERATION.—In providing a fellowship under the program described in paragraph (1), the Secretary shall consider—  
(A) the past scientific or technical accomplishment of a senior researcher; and  
(B) the potential for continued accomplishment by the researcher during the period of the fellowship.

SEC. 984A. SCIENCE AND TECHNOLOGY SCHOLARSHIP PROGRAM.  
(a) ESTABLISHMENT OF PILOT PROGRAM.—The Secretary shall establish a Science and Technology Scholarship Program to award scholarships to individuals that is designed to recruit and prepare students for careers in the Department and National Laboratories.  
(b) SERVICE REQUIREMENT.—The Secretary may require that an individual receiving a scholarship under this section serve as a full-time, full-salary grantee of the National Laboratories for a fixed period in return for receiving the scholarship.
Subtitle H—International Cooperation

SEC. 985. WESTERN HEMISPHERE ENERGY CO-OPERATION.

(a) PROGRAM.—The Secretary shall carry out a program to promote cooperation on energy issues with countries of the Western Hemisphere.

(b) ACTIVITIES.—Under the program, the Secretary shall fund activities to work with countries of the Western Hemisphere to—

(1) increase the production of energy supplies;
(2) improve energy efficiency; and
(3) reduce the infringement of energy supply and efficiency technologies that would have a beneficial impact on world energy markets.

(c) PARTICIPATION BY INSTITUTIONS OF HIGHER EDUCATION.—To the extent practicable, the Secretary shall carry out the program under this section with the participation of institutions of higher education so as to take advantage of the acceptance of institutions of higher education by countries of the Western Hemisphere as sources of unbiased technical and policy expertise when assisting the Secretary in—

(1) evaluating new technologies;
(2) resolving technical issues;
(3) working with those countries in the development of new policies; and
(4) training policymakers, particularly in the case of institutions of higher education that involve the participation of minority students, such as—

(A) Hispanic-serving institutions; and
(B) part B institutions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $10,000,000 for fiscal year 2007;
(2) $13,000,000 for fiscal year 2008; and
(3) $16,000,000 for fiscal year 2009.

SEC. 986. COOPERATION BETWEEN UNITED STATES AND ISRAEL.

(a) FINDINGS.—Congress finds that—

(1) the United States and Israel signed the agreement entitled “Agreement between the Government of the United States of America and the Government of the State of Israel Concerning Energy Cooperation”, (referred to in this section as the “Agreement”) to establish a framework for collaboration between the United States and Israel in energy research and development activities; and
(2) the Agreement entered into force in February 2000;

(b) ACTIVITIES.—The Secretary, in consultation with the Secretary of Commerce, the Secretary of the Interior, and the Federal Energy Regulatory Commission, shall coordinate training and outreach efforts for international commercial energy markets in countries with developing and restructuring economies.

(b) COMPONENTS.—The training and outreach efforts referred to in subsection (a) may include—

(1) production-related fiscal regimes;
(2) grid and network issues;
(3) energy user and demand side response;
(4) international trade of energy; and
(5) international renewable energy.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2007 through 2010.

Subtitle I—Research Administration and Operations

SEC. 987. AVAILABILITY OF FUNDS.

Funds authorized to be appropriated to the Department under this Act or an amendment made by this Act shall remain available until expended.

SEC. 988. COST SHARING.

(a) APPLICABILITY.—Notwithstanding any other provision of law, in carrying out a research, development, demonstration, or commercial application program or activity that is initiated after the date of enactment of this Act, the Secretary shall require cost-sharing in accordance with this section.

(b) RESEARCH AND DEVELOPMENT.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3) and subsection (f), the Secretary shall require not less than 20 percent of the cost of a research or development activity described in subsection (a) to be provided by a non-Federal source.

(2) EXCEPTION.—Paragraph (1) shall not apply to a research or development activity described in subsection (a) that is of a fundamental nature, as determined by the appropriate officer of the Department.

(3) REDUCTION.—The Secretary may reduce or eliminate the requirement of paragraph (1) if the Secretary determines that the reduction is necessary and appropriate.

(c) DEMONSTRATION AND COMMERCIAL APPLICATION.—

(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (f), the Secretary shall require that not less than 20 percent of the cost of a demonstration or commercial application activity described in subsection (a) to be provided by a non-Federal source.

(2) EXCEPTION.—The Secretary may reduce the non-Federal share required under paragraph (1) if the Secretary determines that the reduction is necessary and appropriate.

(d) CALCULATION OF AMOUNT.

It is the sense of Congress that research, development, demonstration, and commercial application activities carried out by the Department should be awarded using competitive procedures, to the maximum extent practicable.

SEC. 990. EXTERNAL TECHNICAL REVIEW OF DEPARTMENTAL PROGRAMS.

(a) NATIONAL ENERGY RESEARCH AND DEVELOPMENT ADVISORY BOARD.—

(1) ESTABLISHMENT.—The Secretary shall establish 1 or more advisory boards to review research, development, demonstration, and commercial application programs of the Department in energy efficiency, renewable energy, nuclear energy, and fossil energy.

(2) ALTERNATIVES.—The Secretary may—

(A) designate an existing advisory board within the Department to fulfill the responsibilities of the Advisory Board created under this section; and
(B) enter into appropriate arrangements with the National Academy of Sciences to establish such an advisory board.

(b) USE OF EXISTING COMMITTEES.—The Secretary shall continue to use the scientific program advisory committees charted under the Federal Advisory Committee Act (5 U.S.C. App.) by the Office of Science to oversee research and development programs under that Office.

(c) MEMBERSHIP.—Each advisory board under this section shall consist of persons with appropriate expertise representing a diverse range of interests.

(d) M EETINGS AND GOALS.—

(1) MEETINGS.—Each advisory board under this section shall meet at least semiannually to review and advise on the progress made by the respective 1 or more research, development, demonstration, and commercial application programs.

(2) GOALS.—The advisory board shall review the measureable cost and performance-based goal for the programs as established under section 902, and the progress on meeting the goals.

(e) PERIODIC REVIEWS AND ASSESSMENTS.—

(1) IN GENERAL.—The Secretary shall enter into appropriate contracts with the National Academy of Sciences to conduct periodic reviews and assessments of—

(A) the research, development, demonstration, and commercial application programs authorized by this Act and amendments made by this Act;
(B) the measurable cost and performance-based goals for the programs as established under section 902, if any; and

(C) the progress on meeting the goals.

(2) The reviews and assessments shall be conducted every 5 years or more often as the Secretary considers necessary.

(3) The Secretary shall submit to Congress reports describing the results of all the reviews and assessments.

SEC. 991. NATIONAL LABORATORY DESIGNATION. After the date of enactment of this Act, the Secretary shall not designate a facility that is not listed in section 2(3) as a National Laboratory.

SEC. 992. REPORT ON EQUAL EMPLOYMENT OPPORTUNITIES. Not later than 12 months after the date of enactment of this Act, and biennially thereafter, the Secretary shall transmit to Congress a report on the equal employment opportunities practices at National Laboratories. Such report shall include—

(1) a thorough review of each National Laboratory contractor's equal employment opportunity policies, including promotion to management and professional positions and pay raises;

(2) a statistical report on complaints and their disposition at National Laborator\y; and

(3) a description of how equal employment opportunity practices at the National Laboratories are treated in the contract and in calculating award fees for each contractor;

(4) a summary of disciplinary actions and their disposition by either the Department or the relevant contractors for each National Laboratory;

(5) a summary of outreach efforts to attract women and minorities to the National Laboratories;

(6) a summary of efforts to retain women and minorities in the National Laboratories; and

(7) a summary of collaboration efforts with the Office of Science and the applied technology programs.

SEC. 993. STRATEGY AND PLAN FOR SCIENCE AND ENERGY FACILITIES AND INFRASTRUCTURE. (a) FACILITY AND INFRASTRUCTURE POLICY.—

(1) IN GENERAL.—The Secretary shall develop and implement a strategy for facilities and infrastructure supported primarily from the Office of Science, the Office of Energy Efficiency and Renewable Energy, the Office of Fossil Energy, or the Office of Nuclear Energy. Science and Technology Programs at all National Laboratories and single-purpose research facilities.

(2) COORDINATION ANALYSIS AND PLAN.—The Secretary shall develop a coordination plan to improve coordination and collaboration in research, development, demonstration, and commercial applications across Department organizational boundaries.

(b) REPORT CONTENTS.—The plan shall describe—

(1) cross-cutting scientific and technical issues and research questions that span more than 1 program or major office of the Department;

(2) how the applied technology programs of the Department are coordinating their activities, and addressing those questions;

(3) ways in which the technical interchange within the Department, particularly between the Office of Science and the applied technology programs, can be enhanced, including ways in which the research agendas of the Office of Science and those applied programs can interact and assist each other;

(4) a description of how the Secretary will ensure that the Department's overall research agenda includes fundamental, curiosity-driven research, fundamental research related to topics of concern to the applied programs, and applications in Departmental technology programs that results generated by fundamental, curiosity-driven research.

(c) PLAN TIMING.—Not later than 12 months after the date of enactment of this Act, and every 4 years thereafter, the Secretary shall transmit to Congress the results of the review under subsection (a) and the coordination plan under subsection (b).

SEC. 995. COMPETITIVE AWARD OF MANAGEMENT CONTRACTS. None of the funds authorized to be appropriated to the Secretary by this title may be used to award a management and operating contract for a National Laboratory (excluding those named in subparagraphs (G), (H), (N), and (O) of section 766) that is competitively awarded, or the Secretary grants, on a case-by-case basis, a waiver. The Secretary may not delegate the authority to grant such a waiver and shall submit a report notifying it of the waiver, and setting forth the reasons for the waiver, at least 60 days prior to the date of the award of such contract.

SEC. 996. WESTERN MICHIGAN DEMONSTRATION PROJECT. The Administrator of the Environmental Protection Agency, in consultation with the State of Michigan and local officials, shall conduct a demonstration project to address the effect of transported ozone and ozone precursors in Southwestern Michigan. The demonstration project shall be to nonattainment areas in Southwestern Michigan that include counties with design values for ozone of less than .085 based on years 2000 to 2002 or the most current updated air quality data. The Administrator shall assess any difficulties such areas may experience in meeting the 8-hour national ambient air quality standard for ozone and the 1-hour standard for ozone precursors into the areas. The Administrator shall work with State and local officials to determine the extent of ozone and ozone precursor transport and use that information to make compliance with the 8-hour standard apart from local controls, and to determine the timeframe in which such compliance could take place. The Administrator shall report to Congress on the demonstration project no later than 2 years after the date of enactment of this section and shall not impose any requirement or sanction under the Clean Air Act (42 U.S.C. 7401 et seq.) that might otherwise apply during the pendency of the demonstration project.

SEC. 997. ARCTIC ENGINEERING RESEARCH CENTER. (a) IN GENERAL.—The Secretary of Transportation, in consultation with the Secretary and the United States Arctic Research Commission, shall provide annual funding for the Arctic Engineering Research Center (referred to in this section as the "Center").

(b) PURPOSE.—The purpose of the Center shall be to conduct research on, and develop improved methods of, construction and infrastructure that are capable of withstanding the Arctic environment and using limited energy resources as efficiently as practicable.

(1) technologies and procedures for increasing road, bridge, rail, and related transportation infrastructure safety, reliability, and integrity in the Arctic region;

(2) new materials and improving the performance and energy efficiency of existing materials for the construction of roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial infrastructure in the Arctic region; and

(4) recommendations for new local, regional, and State permitting and building codes to ensure transportation and use of materials and energy efficient use when constructing, using, and occupying such infrastructure in the Arctic region.

(c) OBJECTIVES.—The Center shall carry out—

(1) basic and applied research in the subjects described in subsection (b), the products of which shall be judged by peers or other experts in the field to advance the body of knowledge in road, bridge, rail, and related transportation infrastructure engineering in the Arctic region; and

(2) an ongoing program of technology transfer that makes research results available to potential users in a form readily understood.

(d) AMOUNT OF GRANT.—For each fiscal years 2006 through 2011, the Secretary shall provide a grant in the amount of $3,000,000 to the institution specified in subsection (a) to carry out this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $3,000,000 for each of fiscal years 2006 through 2011.

SEC. 998. BARROW GEOPHYSICAL RESEARCH FACILITY. (a) ESTABLISHMENT.—The Secretary of Commerce, in consultation with the Secretary of Energy and in coordination with the National Science Foundation, and the Administrator of the Environmental Protection Agency, shall establish a joint research facility in Barrow, Alaska, to be known as the "Barrow Geophysical Research Facility", to support scientific research activities in the Arctic.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Commerce, Energy, and the Interior, the Director of the National Science Foundation, and the Administrator of the Environmental Protection Agency, for the design, construction, and support of the Barrow Geophysical Research Facility, $61,000,000.
Subtitle J—Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources

SEC. 999A. PROGRAM AUTHORITY.

(a) In general.—The Secretary shall carry out the activities under this subtitle of research, development, demonstration, and commercial application of technologies for ultra-deepwater and unconventional natural gas and other petroleum resource exploration and production, including addressing the technology challenges for small producers, safe operations, and environmental mitigation (including reduction of greenhouse gas emissions and sequestration of carbon).

(b) Program Elements.—The program under this subtitle shall address the following areas, including improving safety and minimizing environmental impacts of activities within each area:

(1) Ultra-deepwater architecture and technology, including drilling to formations in the Outer Continental Shelf to depths greater than 15,000 feet.

(2) Unconventional natural gas and other petroleum resource exploration and production technology.

(3) The technology challenges of small producers.

(4) Complementary research performed by the National Energy Technology Laboratory for the Department.

(c) Limitation on location of field activities.—Field activities under the program under this subtitle shall be carried out only—

(1) in—

(A) areas in the territorial waters of the United States not under any Outer Continental Shelf moratorium as of September 30, 2002;

(B) areas offshore in the United States on public land administered by the Secretary of the Interior;

(C) areas onshore in the United States on State or private land, subject to applicable law; and

(2) with the approval of the appropriate Federal or State land management agency or private land owner.

(d) Activities at the National Energy Technology Laboratory.—The Secretary, through the National Energy Technology Laboratory, shall carry out a program of research and other activities complementary to and supportive of the research programs under subsection (b).

(e) Consultation with Secretary of the Interior.—In carrying out this subtitle, the Secretary shall consult regularly with the Secretary of the Interior.

SEC. 999B. ULTRA-DEEPWATER AND UNCONVENTIONAL ONSHORE NATURAL GAS AND OTHER PETROLEUM RESEARCH AND DEVELOPMENT PROGRAM.

(a) In general.—The Secretary shall carry out the activities under section 999A, to maximize the value of natural gas and other petroleum resources of the United States, by increasing the supply of such resources, through reducing the cost and increasing the efficiency of exploration for and production of such resources, while improving safety and minimizing environmental impacts.

(b) Role of the Secretary.—The Secretary shall have ultimate responsibility for, and oversight of, all aspects of the program under this section.

(c) Role of the Program Consortium.—

(1) In general.—The Secretary shall contract with a program consortium to carry out the program under this section, and the program consortium shall carry out the program pursuant to subsection (j)(1), utilizing program administration funds only;

(2) issue research project solicitations upon approval of the Secretary or the Secretary’s designee;

(3) make project awards to research performers under the direction of the Secretary or the Secretary’s designee;

(4) disburse research funds to research performers awarded a significant amount of funding directed by the Secretary in accordance with the annual plan under subsection (e); and

(5) carry out other activities assigned to the program consortium.

(d) Limitation.—The Secretary may not assign any activities to the program consortium except as specifically authorized under this section.

(e) Conflict of Interest.—

(1) Procedures.—The Secretary shall establish procedures to—

(A) ensure that each board member, officer, or employee of the program consortium who is in a decision-making capacity under subsection (f)(4) with respect to research performed under this section, including those of his or her spouse or minor child, unless such relationships or interests would be considered to be remote or inconsequential; and

(B) require any board member, officer, or employee with a financial relationship or interest disclosed under clause (i) to recuse himself or herself from any oversight under subsection (f)(4) with respect to research performed under this section if a board member, officer, or employee has failed to comply with procedures required under subparagraph (A)(ii).

(2) Selection of the Program Consortium.—

(1) In general.—The Secretary shall select the program consortium through an open, competitive process.

(3) Conflict of Interest.—The program consortium may include corporations, trade associations, institutions of higher education, National Laboratories, or other research institutions. After submitting a proposal under paragraph (4), the program consortium may not add members without the consent of the Secretary.

(f) Estimates of Increased Royalty Receipts.

(1) In general.—The Secretary may require that such consortium, pursuant to an annual plan and regulations promulgated by the Department, submit estimates of increased Federal royalty receipts (if any) resulting from the implementation of this subtitle. The initial Federal royalty receipts (if any) resulting from the implementation of this subtitle shall be paid to the program consortium by the Secretary. The Secretary may also solicit comments from other experts.

(2) Consultation.—The Secretary shall consult regularly with the program consortium, throughout the preparation of the annual plan.

(3) Publication.—The Secretary shall transmit the annual plan to Congress and publish in the Federal Register a draft of the annual plan.

(4) Contents.—The annual plan shall describe the ongoing and prospective activities of the program under this section and shall include—

(A) a list of any solicitations for awards to carry out research, development, demonstration, or commercial application activities, including the topics for such work, who would be eligible to apply, selection criteria, and the duration of awards;

(B) a description of the activities expected of the program consortium to carry out subsection (f)(4) and the estimated cumulative increase in Federal royalty receipts (if any) resulting from the implementation of this subtitle.

(5) Establishment of Independent Program Oversight Board.

The Secretary shall establish and consolidate the program consortium into a single program entity with the Secretary exercising final review and approval of all programs.

(7) Awards to Universities.

(8) Ultra-Deepwater Resources.—Awards from allocations under section 999H(d)(1) shall focus on development and demonstration of individual exploration and production technologies as well as integrated systems technologies including new architectures for production in ultra-deepwater resources exploration and production.

(9) Unconventional resources.—Awards from allocations under section 999H(d)(2) shall focus on areas including advanced coalbed methane and gas, deep drilling, gasification, extraction from tight sands, natural gas production from gas shales, stranded gas, innovative exploration and production techniques, enhanced recovery techniques, and environmental mitigation of unconventional natural gas and other petroleum resources exploration and production.

(10) Small Producers.—Awards from allocations under section 999H(d)(3) shall be made to consortia consisting of small producers or organized primarily for the benefit of small producers, and that focus on areas including complex geology involving rapid changes in the type and quality of the oil and gas reservoirs across the reservoir; low reservoir pressure; unconventional natural gas reservoirs in coalbeds, deep reservoirs, tight sands, or shales; and unconventional oil reservoirs in tar sands and oil shales.

(g) Annual Plan.—

(1) In general.—The program under this section shall be carried out pursuant to an annual plan prepared by the Secretary in accordance with subparagraph (A).

(2) Development.—

(A) Solicitation of Recommendations.—Before drafting an annual plan under this subsection, the Secretary shall solicit specific written recommendations from the program consortium for each element to be addressed in the plan, including those described in paragraph (4). The program consortium shall submit its recommendations in the form of a draft annual plan.

(B) Submission of Recommendations; Other Comment.—The Secretary shall submit the recommendations of the program consortium to the Secretary for approval of the Secretary or the Secretary’s designee established under section 999D(a) and to the Unconventional Resources Technology Advisory Committee established under section 999D(b), and such Advisory Committees shall make recommendations to the Secretary written comments received under paragraph (2)(A) and (B).

(h) Contents.—The annual plan shall describe the ongoing and prospective activities of the program under this section and shall include—

(A) a list of any solicitations for awards to carry out research, development, demonstration, or commercial application activities, including the topics for such work, who would be eligible to apply, selection criteria, and the duration of awards;

(B) a description of the activities expected of the program consortium to carry out subsection (f)(4) and the estimated cumulative increase in Federal royalty receipts (if any) resulting from the implementation of this subtitle.

(i) Awards to Universities.

(j) Mandatory Projects.—The Secretary shall by law mandate that the program consortium include the following projects:

(1) Ultra-Deepwater Resources.

(2) Conventional and Unconventional Resources.

(3) Small Producers.

(4) Research on Development of Advanced Technologies.

(5) Research on Integrated Demonstration Projects.
awards to research performers to carry out research, development, demonstration, and commercial application activities under the program under this section. The program consortium shall not be eligible to receive such awards, but provided that conflict of interest procedures in section 999B(c)(3) are followed, entities that are members of the program consortium are not precluded from receiving research awards as individual research performers or as research performers who are members of a research collaboration.

(2) PROPOSALS.—Upon approval of the Secretary the program consortium shall solicit proposals for awards under this subsection in a manner consistent with the terms and conditions of the awards.

(B) No individual who is a Federal employee or officer of the program consortium shall serve on a subcommittee to which funds are provided under paragraphs (1) through (3) of section 999A, (A) the entity is a United States-owned entity organized under the laws of the United States or a United States-owned entity; or (B) the entity is organized under the laws of the United States and has a parent entity organized under the laws of a country that affords comparable to those afforded to any other entity, to participate in any cooperative research venture similar to those authorized under this subsection.

(i) To United States-owned entities opportunities, comparable to those afforded to any other entity, to participate in any cooperative research venture similar to those authorized under this subsection.

163C. ADDITIONAL REQUIREMENTS FOR AWARD.

(2) OF SECTION 613A (d).

(4) Administration of Research Projects.—An application for an award under this subtitle for a demonstration project shall describe with specificity the intended commercial use of the technology to be demonstrated.

(b) FLEXIBILITY IN LOCATING DEMONSTRATION PROJECTS.—Subject to the limitation in section 999A(c), a demonstration project under this subtitle relating to an ultra-deepwater technology or an ultra-deepwater architecture may be conducted in deepwater depths.

(c) INTELLECTUAL PROPERTY AGREEMENTS.—If an award under this subtitle is made to a consortium (other than the program consortium), the consortium shall issue or administer a consortium describing the rights of each member to intellectual property used or developed under the award.

(d) TECHNOLOGY TRANSFER.—2.5 percent of the amount of each award made under this subtitle shall be designated for technology transfer and outreach activities under this subtitle.

(e) Cost Sharing for Independent Producers.—In applying the cost sharing requirements under section 998 to an award under this subtitle the Secretary may reduce or eliminate the non-Federal requirement if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project.

(f) Information Sharing.—All results of the research administered by the program consortium shall be made available to the public consistent with Department policy and practice on information sharing and intellectual property agreements.
(4) PROGRAM CONSORTIUM.—The term “program consortium” means the consortium selected under section 999(b)(4).

(5) PROGRAM RESEARCH FUNDS.—The term “program research funds” means funds awarded to research performers by the program consortium consistent with the annual plan.

(6) REMOTE OR INCONSEQUENTIAL.—The term “remote or inconsequential” has the meaning given that term in regulations issued by the Office of Government Ethics under section 208(b) of title 18, United States Code.

(7) SMALL PRODUCER.—The term “small producer” means an entity organized under the laws of the United States with production levels of less than 1,000 barrels per day of oil equivalent.

(8) ULTRA-DEEPWATER.—The term “ultra-deepwater” means a water depth that is equal to or greater than 1,500 meters.

(9) ULTRA-DEEPWATER ARCHITECTURE.—The term “ultra-deepwater architecture” means the integration of technologies for the exploration for, or production of, natural gas or other petroleum resources located at ultra-deepwater depths.

(10) ULTRA-DEEPWATER TECHNOLOGY.—The term “ultra-deepwater technology” means a discrete technology that is specially suited to address technical challenges associated with the exploration for, or production of, natural gas or petroleum resources located at ultra-deepwater depths.

(11) UNCONVENTIONAL NATURAL GAS AND OTHER PETROLEUM RESOURCE.—The term “unconventional natural gas and other petroleum resource” means natural gas and other petroleum resources located onshore in an economically inaccessible geological formation, including resources of small producers.

SEC. 999H. FUNDING.

(a) OIL AND GAS LEASE INCOME.—For each of fiscal years 2007 through 2017, from any Federal royalties, rents, and bonuses derived from Federal onshore and offshore oil and gas leases issued under section 3(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) and the Mineral Leasing Act (30 U.S.C. 181 et seq.) which are de- posited in the Treasury, and after distribution of any such funds as described in subsection (c), $50,000,000 shall be deposited into the Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Research Fund (in this section referred to as the “Fund”). For purposes of this section, the term “royalties” excludes proceeds from the sale of royalty production taken in kind and royalty production that is transferred to the Outer Continental Shelf Lands Act (43 U.S.C. 1336(d)).

(b) FEDERAL AGENCY.—The term “Federal agency” means a Federal department or agency.

(c) DUTIES OF THE COORDINATOR.—The Coordinator shall oversee:

(1) the activities of the Technology Transfer Working Group established under subsection (d);

(2) the expenditure of funds allocated for technology transfer within the Department;

(3) the activities of each technology partnership established under section 11 of the Technology Transfer Commercialization Act of 2000 (42 U.S.C. 7261c); and

(4) efforts to engage private sector entities, including venture capital companies.

(d) TECHNOLOGY TRANSFER WORKING GROUP.—The Secretary shall establish a Technology Transfer Working Group, which shall consist of representatives of the National Laboratories and single-purpose research facilities, to:

(1) coordinate technology transfer activities occurring at National Laboratories and single-purpose research facilities;

(2) exchange information about technology transfer practices, including alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters;

(3) develop and disseminate to the public and prospective technology partners information about opportunities and procedures for technology transfer with the Department, including opportunities and procedures related to alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters;

(4) make technology transfer transferable and acquire intellectual property rights and other technology transfer matters, including alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters;

(5) TECHNOLOGY COMMERCIALIZATION FUND.—The Secretary shall establish an Energy Technology Commercialization Fund, using 0.9 percent of the receipts from the Fund under section 999(b)(1), for the purposes of promoting energy technologies for commercial purposes.

(f) TECHNOLOGY TRANSFER RESPONSIBILITY.—Nothing in this section affects the technology transfer responsibilities of Federal employees under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).

(g) PLANNING AND REPORTING.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a technology transfer execution plan.

(2) UPDATES.—Each year after the submission of the plan under paragraph (1), the Secretary shall submit to Congress an updated execution plan and reports that describe progress toward meeting goals set forth in the execution plan and the funds expended under subsection (e).

SEC. 1002. TECHNOLOGY INFRASTRUCTURE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) PROGRAM.—The term “program” means the Technology Infrastructure Program established under subsection (b).

(2) TECHNOLOGY CLUSTER.—The term “technology cluster” means a concentration of technology-related business concerns, institutions of higher education, or nonprofit institutions, that reinforce each other’s performance in the areas of technology development through formal or informal relationships.

(3) TECHNOLOGY-RELATED BUSINESS CONCERN.—The term “technology-related business concern” means a for-profit corporation, company, association, firm, partnership, or small business concern that:

(A) conducts scientific or engineering research;

(B) develops new technologies;

(C) manufactures products based on new technologies; or

(D) performs technological services.

(4) ESTABLISHMENT.—The Secretary shall establish a Technology Infrastructure Program in accordance with this section.

(c) PURPOSE.—The purpose of the Program shall be to improve the ability of National Laboratories, single-purpose research facilities to support departmental missions by:

(1) stimulating the development of technology clusters that can support departmental missions at the National Laboratories or single-purpose research facilities;

(2) improving the ability of National Laboratories and single-purpose research facilities to leverage benefits from commercial research, technology, products, processes, and services; and

(3) encouraging the exchange of scientific and technical expertise between

(A) National Laboratories or single-purpose research facilities; and

(B) entities that can support departmental missions at the National Laboratories or single-purpose research facilities, such as—

(i) institutions of higher education;

(ii) technology-related business concerns;

(iii) nonprofit institutions; and

(iv) agencies of State, tribal, or local government.

(d) PROJECTS.—The Secretary shall authorize the director of each National Laboratory or single-purpose research facility to implement the Program at the National Laboratory or facility through 1 or more projects that meet the requirements of subsections (e) and (f).

(e) PROGRAM REQUIREMENTS.—

(1) IN GENERAL.—Each project under this section shall meet the requirements of subsections (e) and (f).

(2) ENTITIES.—Each project shall include at least 1 each of the following entities:

(A) A business.

(B) An institution of higher education.

(C) A nonprofit institution.

(D) An agency of a State, local, or tribal government.

(3) COST-SHARING.—(A) IN GENERAL.—The costs of carrying out projects under this section shall be shared in accordance with section 988.
(B) SOURCES.—The calculation of costs paid by the non-Federal sources for a project shall include cash, personnel, services, equipment, and other resources expended on the project after the date of the project.

(C) RESEARCH AND DEVELOPMENT EXPENSES.—Independent research and development expenses of Government contractors that qualify for reimbursement under the uniform cost accounting procedures of the Federal Acquisition Regulation, issued pursuant to section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)), may be credited towards costs paid by non-Federal sources to a project, if the expenses meet the other requirements of this section.

(4) SELECTION CRITERIA.—A project under this section shall be competitively selected using procedures determined by the Secretary.

(5) ACCOUNTING.—Any participant that receives funds under this section may use generally accepted accounting principles for maintaining accounts, books, and records relating to the project.

(6) DURATION.—No Federal funds shall be made available under this section for a construction project or for any project with a duration of more than 5 years.

(f) SELECTION CRITERIA.—

(1) DEPARTMENTAL MISSIONS.—The Secretary shall allocate funds under this section only if the National Laboratory or single-purpose research facility managing the project determines that the project is likely to improve the ability of the National Laboratory or single-purpose research facility to achieve technical success in meeting departmental missions.

(2) OTHER CRITERIA.—In selecting a project to receive Federal funds, the Secretary shall consider:

(A) the potential of the project to promote the development of commercially sustainable technology clusters or the commercial development of technological innovations made at the participating National Laboratory or single-purpose research facility;

(B) the potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating National Laboratory or single-purpose research facility; and

(C) the extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-based small business concerns that will support departmental missions at the participating National Laboratory or single-purpose research facility.

(g) ALLOCATION.

(1) There shall be in the Department an Under Secretary for Science and Technology Programs, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(3) The Under Secretary for Science shall be appointed from among persons who—

(A) have extensive background in scientific or engineering fields; and

(B) are well qualified to manage the civilian research and development programs of the Department.

(h) REPORT TO CONGRESS.

(1) The Under Secretary for Science shall—

(A) serve as the Science and Technology Advisor to the Secretary;

(B) monitor the research and development programs of the Department in order to advise the Secretary with respect to any undesirable duplication or gaps in the programs;

(C) advise the Secretary with respect to the use of funds for the operation and management of the multipurpose laboratories under the jurisdiction of the Department;

(D) advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department;

(E) advise the Secretary with respect to grants or other forms of financial assistance required for effective short- and long-term basic and applied research activities of the Department;

(F) advise the Secretary with respect to long-term planning, coordination, and development of a strategic framework for Department research and development activities; and

(G) carry out such additional duties assigned to the Under Secretary by the Secretary relating to basic and applied research, including supervision or support of research activities carried out by or for the Assistant Secretaries designated by section 203 of this Act, as the Secretary considers advantageous.

(i) ADDITIONAL ASSISTANT SECRETARY POSITIONS.

(1) In general.—Section 202(a) of the Department of Energy Organization Act (42 U.S.C. 7132(a)) is amended in the first sentence by striking “six Assistant Secretaries” and inserting “seven Assistant Secretaries”.

(2) ASSISTANT SECRETARY LEVEL.—It is the sense of Congress that the leadership for departmental missions in nuclear energy should be at the Assistant Secretary level.

(j) TECHNICAL AND CONFORMING AMENDMENTS.

(1) Section 202 of the Department of Energy Organization Act (42 U.S.C. 7132) is amended by adding at the end the following:

(4) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe, consistent with this section.

(2) The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(3) There shall be in the Department a General Counsel, who shall be appointed by the Secretary, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe.
“(2) The General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 3531 of title 5, United States Code.”.

(2) section 3515 of title 5, United States Code, is amended by striking “Secretary of Energy” (3)” and inserting “Secretary of Energy” (3)”.

(3) Section 3515 of title 5, United States Code, is amended by striking “Assistant Secretary of Energy (6)” and inserting “Assistant Secretary of Energy (7)”.

(4) Section 3519(b) of the Department of Energy Organization Act (42 U.S.C. 7139(b)) is amended by striking paragraph (6) and inserting the following:

“(6) to carry out such additional duties as assigned to the Office by the Secretary.”.

SEC. 1007. OTHER TRANSACTIONS AUTHORITY.

Section 646 of the Department of Energy Organization Act (42 U.S.C. 7260) is amended by adding at the end the following:

“(g)(1) In addition to authority granted to the Secretary under any other provision of law, the Secretary may exercise the same authority to enter into transactions (other than contracts, cooperative agreements, and grants) subject to the same terms and conditions as the Secretary of Defense under section 2371 of title 10, United States Code, if obtained from a person other than subsections (b) and (i) of that section.

(2) In applying section 2371 of title 10, United States Code, to the Secretary under paragraph (1) (— (A) the term ‘basic’ shall be replaced by the term ‘research’; (B) the term ‘applied shall be replaced by the term ‘development’; and (C) the terms ‘advanced research projects’ and ‘advanced research’ shall be replaced by the term ‘demonstrations projects’.

(3) The authority of the Secretary under paragraph (1) shall not be subject to— (A) section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908); or (B) section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182).

(4)(A) The Secretary shall use such competitive, merit-based selection procedures in entering into transactions under paragraph (1), as the Secretary determines in writing to be practicable.

(B) A transaction under paragraph (1) shall relate to a research, development, or demonstration project only if the Secretary determines in writing that a contract, standard contract, grant, or cooperative agreement for the project is not feasible or appropriate.

(5) The Secretary may protect from disclosure, for 5 years after the date on which the information is developed, any information developed pursuant to a transaction under paragraph (1) that would be protected from disclosure under section 552(b)(4) of title 5, United States Code, if obtained from a person other than a Federal agency.

(6)(A) Not later than 90 days after the date of enactment of this subsection, the Secretary shall issue guidelines for transactions under paragraph (1).

(B) The guidelines shall be published in the Federal Register for public comment in accordance with rulemaking procedures of the Department.

(C) The Secretary shall not have authority to carry out a transaction under paragraph (1) until the guidelines for transactions required under subparagraph (A) are final.

(7) The annual report of the head of an executive agency (as defined in section 3101 of title 5, United States Code, shall be submitted to Congress.

(8)(A) In this paragraph, the term ‘nontraditional defense contractor’ has the meaning given the term ‘nontraditional defense contractor’ in section 845(f) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160, 10 U.S.C. 2371 note).

(B) Not later than 1 year after the date on which the final guidelines are published under paragraph (6), the Comptroller General of the United States shall submit to Congress a report describing— (i) the use by the Department of authorities under this section, including the ability to attract nontraditional Government contractors; and (ii) whether additional safeguards are necessary to carry out the authorities.

(9) The authority of the Secretary under this subsection may be delegated only to an officer of the Department who is appointed by the President by and with the advice and consent of the Senate.

(10) Notwithstanding any other provision of law, the authority to enter into transactions under paragraph (1) shall terminate on September 30, 2010.”.

SEC. 1008. PRIZES FOR ACHIEVEMENT IN GRAND CHALLENGES OF SCIENCE AND TECHNOLOGY.

(a) AUTHORITY.—The Secretary may carry out a program to award cash prizes in recognition of breakthrough achievements in research, development, demonstration, and commercial application that have the potential for application to the performance of the mission of the Department.

(b) COMPETITION REQUIREMENTS.—The program under subsection (a) may include prizes for the achievement of goals articulated by the Secretary in a widely advertised solicitation of submission of results for research, development, demonstration, or commercial application projects.

(c) FORMS OF FEDERAL ASSISTANCE TO REDUCE DEPENDENCE ON IMPORTED OIL.

(1) The Secretary may carry out a program under this section, including the ability to advertise solicitation of submission of results for research, development, demonstration, or commercial application projects.

(2) STATEMENT OF POLICY.—The Secretary, in cooperation with the Freedom Prize Foundation, shall support a program of awarding prizes, to encourage and recognize the development and deployment of processes and technologies that serve to reduce the dependence of the United States on imported oil.

(d) RELATIONSHIP TO OTHER AUTHORITY.—The program under subsection (a) may be carried out in conjunction with or in addition to the exercise of any other authority of the Secretary to acquire, support, or stimulate research, development, demonstration, or commercial application projects.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated— (1) $10,000,000 to carry out the program under subsection (a); and (2) $5,000,000 to carry out the program under subsection (c).

SEC. 1009. TECHNICAL CORRECTIONS.

(a) COAL RESEARCH AND DEVELOPMENT.

(1) IN GENERAL.—Public Law 86–599 (30 U.S.C. 661 et seq.) is amended— (A) by striking the first section (30 U.S.C. 661); and (B) by striking section 599 (30 U.S.C. 665) and inserting the following:

“(1) The term ‘electric generating unit’ means a facility for the production of electric energy which is connected or designed to be connected to an electric power system and which at the time of connection delivers electric energy to the electric power system at a voltage of not less than 50 volts and at a rate greater than 250 kilowatts.

(2) The term ‘utility’ means a person who is a licensee of the Federal Energy Regulatory Commission under section 205 of the Federal Power Act (16 U.S.C. 824d), a holder of a certificate issued under section 203 of such Act (16 U.S.C. 824c), or a public agency that produces and sells electric energy.

(3) The term ‘energy’ means electric energy.

(b) NONNUCLEAR ENERGY RESEARCH AND DEVELOPMENT.— (1) SHORT TITLE; DEFINITIONS.—Section 1 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5902) is amended to read as follows:

“SEC. 1. (a) This Act may be cited as the ‘Federal Nonnuclear Energy Research and Development Act of 1974’.

(b) In this Act: (1) The term ‘Department’ means the Department of Energy; (2) The term ‘Secretary’ means the Secretary of Energy.”.

(2) STATEMENT OF POLICY.—Section 3(b) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5902(b)) is amended— (A) in paragraph (1), by striking “Energy Research and Development Administration” and inserting “Department”; (B) in paragraph (2), by striking “Administrator” and inserting “Secretary”; and (C) in paragraph (3)— (i) by striking “Administrator” and inserting “Secretary”; and (ii) by inserting “Demonstration” after “Cooling”.

(d) DUTIES AND AUTHORIZED.—Section 4 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5903) is amended— (A) by striking the section heading and inserting the following: “DUTIES AND AUTHORITIES OF THE SECRETARY”; and (B) in the matter preceding subsection (a), by striking “Administrator” and inserting “Secretary”.

(4) COMPREHENSIVE PLANNING AND PROGRAMMING.—Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905) is amended— (A) by striking “Administrator” each place it appears and inserting “Secretary”; and (B) in subsection (b)(3)— (i) by inserting “Demonstration” after “Cooling”; and (ii) in subparagraph (L), by inserting “Ener.” after “Solar”.

(5) FORMS OF FEDERAL ASSISTANCE.—Section 7 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended— (A) by striking “Administrator” each place it appears and inserting “Secretary”; and (B) in subsection (a)(4), by striking “of the section”.

(6) DEMONSTRATIONS.—Section 8 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5907) is amended— (A) in subsections (a) through (c), by striking “Administrator” each place it appears and inserting “Secretary”; and (B) in subsection (d)— (i) in the first sentence of paragraph (1), by striking “of Energy Research and Development Administration” after “Administrator”; and (ii) in paragraph (3), by striking “Administrator” and inserting “Secretary”; and (C) in subsection (5)— (i) by striking “Administrator” each place it appears and inserting “Secretary”; and (ii) in the proviso of the first sentence, by striking “Administrator’s” and inserting “Secretary’s”.

(T) PATENT POLICY.—Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908) is amended— (A) by striking “Administrator” each place it appears and inserting “Secretary”; and (B) by striking “Administrator” each place it appears and inserting “Secretary”; and
TITLE XI—PERSONNEL AND TRAINING

SEC. 1101. WORKFORCE TRENDS AND TRAINEESHIP GRANTS.

(a) DEFINITIONS.—

(1) ENERGY TECHNOLOGY INDUSTRY.—The term ‘‘energy technology industry’’ includes—

(A) a renewable energy industry;

(B) a commercial or commercializes a device to increase energy efficiency;

(C) the oil and gas industry;

(D) the nuclear power industry;

(E) the coal industry;

(F) the electric utility industry; and

(G) any other industrial sector, as the Secretary determines to be appropriate.

(2) SKILLED TECHNICAL PERSONNEL.—The term ‘‘skilled technical personnel’’ means—

(A) journey- and apprentice-level workers who are enrolled in, or have completed, a federally-recognized State-level apprenticeship program; and

(B) other skilled workers in energy technology industries, as determined by the Secretary.

(b) WORKFORCE TRENDS.—

(1) MONITORING.—The Secretary, in consultation with, and using data collected by, the Secretary of Labor, shall monitor trends in the workforce of—

(A) skilled technical personnel that support energy technology industries; and

(B) electric power and transmission engineers.

(2) REPORT ON TRENDS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on current trends and recommendations (as appropriate) to meet the future labor requirements for the energy technology industries.

(3) REPORT OF THE SHORTAGE.—As soon as practicable after the date on which the Secretary identifies or predicts a significant national shortage of skilled technical personnel in 1 or more energy technology industries, the Secretary shall submit to Congress a report describing the shortage.

(c) TRAINEESHIP GRANTS FOR SKILLED TECHNICAL PERSONNEL.—In consultation with the Secretary of Labor, the Secretary may establish programs in the appropriate offices of the Department under which the Secretary provides grants to educational institutions (including distance learning) for any workforce category for which a shortage is identified or predicted under subsection (b)(2).

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2006 through 2008.

SEC. 1102. EDUCATION PROGRAMS IN SCIENCE AND MATHEMATICS.

(a) SCIENCE EDUCATION ENHANCEMENT FUND.—Section 3164 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7384a) is amended by adding at the end—

"(c) SCIENCE EDUCATION ENHANCEMENT FUND.—The Secretary shall use not less than 0.3 percent of the amount made available to the Department for research, development, demonstration, and commercial application for fiscal year 2006 and each fiscal year thereafter to carry out activities authorized by this section.

(b) AUTHORIZED EDUCATION ACTIVITIES.—

(1) MONITORING.—The Secretary of Energy, in consultation with the Secretary of Education, shall continue to closely review purchase card purchases and cooperation agreements made by the Secretary for energy projects.

(2) PREPARATION.—The Secretary shall also consider providing incentives to increase the inclusion of small institutions of higher education, including minority-serving institutions, in energy grants, contracts, and cooperative agreements.

SEC. 1103. SENSE OF CONGRESS.

It is the sense of Congress that—

(a) The Secretary should develop and implement training procurement and inventory controls, including controls on the purchase card program, to prevent waste, fraud, and abuse of taxpayer funds by employees and contractors of the Department; and

(b) the Department’s Inspector General should continue to closely review purchase card purchases and cooperation agreements made by the Department.

SEC. 1104. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in conjunction with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) include training requirements for workers engaged in the construction, operation, inspection, maintenance of nonnuclear electric generation, transmission, or distribution systems, including requirements relating to—

(A) competency;

(B) certification; and

(C) assessment, including—

(i) initial and continuous evaluation of workforce skills; and

(ii) recertification procedures; and

(2) be based on the results of the study conducted under this subsection.

SEC. 1105. TRAINING GUIDELINES FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1106. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) include training requirements for workers engaged in the construction, operation, inspection, maintenance of nonnuclear electric generation, transmission, or distribution systems, including requirements relating to—

(A) competency;

(B) certification; and

(C) assessment, including—

(i) initial and continuous evaluation of workforce skills; and

(ii) recertification procedures; and

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1107. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1108. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1109. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1110. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1111. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1112. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1113. EDUCATION PROGRAMS FOR NONNUCLEAR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall establish, in consultation with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric systems.

(b) REQUIREMENTS.—The training guidelines under subsection (a) shall—

(1) meet the demands of the industry;

(2) be based on the results of the study conducted under this subsection.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.
guidelines established by the National Electric Safety Code and other industry consensus standards.

SEC. 1104. NATIONAL CENTER FOR ENERGY MANAGEMENT AND BUILDING TECHNOLOGIES.

The Secretary shall support the ongoing activities of and explore opportunities for expansion of the National Center for Energy Management and Building Technologies to carry out research, education, and training activities to facilitate the improvement of energy efficiency, indoor environmental quality, and security of industrial, commercial, residential, and public buildings.

SEC. 1105. IMPROVED ACCESS TO ENERGY-RELATED SCIENTIFIC AND TECHNICAL CAREERS.

(a) SCIENCE EDUCATION PROGRAMS.—Section 3164 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381a) (as amended by section 102(a)) is amended by adding at the end the following:

“(d) PROGRAMS FOR STUDENTS FROM UNDER-REPRESENTED GROUPS.—In carrying out a program under subsection (a), the Secretary shall give priority to activities that are designed to encourage students from under-represented groups to pursue scientific and technical careers.”.

(b) PARTNERSHIPS WITH HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, HISPANIC-SERVING INSTITUTIONS, AND TRIBAL COLLEGES.—The Department of Energy Science Education Enhancement Act (42 U.S.C. 7381 et seq.) is amended-(1) by redesignating sections 3167 and 3168 as sections 3167 and 3169, respectively; and (2) by inserting after section 3166 the following:

“SEC. 3167. PARTNERSHIPS WITH HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, HISPANIC-SERVING INSTITUTIONS, AND TRIBAL COLLEGES.

“(a) DEFINITIONS.—In this section:

“(1) HISPANIC-SERVING INSTITUTION.—The term ‘Hispanic-serving institution’ has the meaning given the term in section 502(a) of the Higher Education Act of 1965 (20 U.S.C. 1011a(a)).

“(2) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term ‘historically Black college or university’ has the meaning given the term ‘part B institution’ in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1011).

“(3) NATIONAL LABORATORY.—The term ‘National Laboratory’ has the meaning given the term in section 2 of the Energy Policy Act of 2005.

“(4) SCIENCE FACILITY.—The term ‘science facility’ has the meaning given the term ‘single-purpose research facility’ in section 903 of the Higher Education Act of 1965 (20 U.S.C. 1061).

“(5) TRIBAL COLLEGE.—The term ‘tribal college’ has the meaning given the term ‘tribally controlled college or university’ in section 2(a) of the Title IV My Future Grant Program Assistance Act of 1978 (25 U.S.C. 1801(a)).

“(b) EDUCATION PARTNERSHIP.—The Secretary shall require the director of each National Laboratory that has the head of a major science facility, to increase the participation of historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges in any activity that increases the capacity of the historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges to train personnel in science or engineering.

“(c) ACTIVITIES.—(1) The activity described in subsection (b) includes—

“(i) collaborative research;

“(ii) student internships;

“(iii) training activities carried out at a National Laboratory or science facility; and

“(iv) mentoring activities carried out at a National Laboratory or science facility.

“(d) REPORT.—Not later than 2 years after the date of enactment of this subsection, the Secretary shall submit to Congress a report describing the activities carried out under this section.”.

SEC. 1106. NATIONAL POWER PLANT OPERATIONS TECHNOLOGY AND EDUCATIONAL CENTER.

(a) ESTABLISHMENT.—The Secretary shall support the establishment of a National Power Plant Operations Technology and Educational Center (referred to in this section as the ‘Center’), to address the need for training and educating certified operators and technicians for the electric power industry.

(b) LOCATION.—The Secretary shall establish the Center at an institution of higher education that has—

“(1) expertise in providing degree programs in electric power generation, transmission, and distribution technologies;

“(2) expertise in providing onsite and Internet-based training; and

“(3) demonstrated responsiveness to workforce and training requirements in the electric power industry.

(c) TRAINING AND CONTINUING EDUCATION.—

“(1) IN GENERAL.—The Center shall provide training and continuing education in electric power generation, transmission, and distribution technologies and operations.

“(2) LOCATION.—The Center shall carry out training and education activities under paragraph (1)—

“(A) at the Center; and

“(B) through Internet-based information technologies that allow training at remote sites.

TITLE XII—ELECTRICITY

SEC. 1201. SHORT TITLE.

This title may be cited as the ‘Electricity Modernization Act of 2005’.

Subtitle A—Reliability Standards

SEC. 1201. ELECTRICITY RELIABILITY STANDARDS.

(a) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

“SEC. 215. ELECTRIC RELIABILITY.

“(a) DEFINITIONS.—For purposes of this section:

“(1) The term ‘bulk-power system’ means—

“(A) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof); and

“(B) electric energy from generation facilities needed to maintain transmission system reliability.

“The term does not include facilities used in the local distribution of electric energy.

“(2) The term ‘Electric Reliability Organization’ and ‘ERO’ means the organization certified by the Commission under subsection (c) the purpose of which is to establish and enforce reliability standards for the bulk-power system, subject to Commission review.

“(3) The term ‘reliability standard’ means a requirement, approved by the Commission under this section, to provide for reliable operation of the bulk-power system. The term includes requirements for the operation of existing bulk-power system facilities, including cybersecurity protection, and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation of the bulk-power system, but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.

“(4) The term ‘bulk-power operation’ means operating the elements of the bulk-power system within equipment and electric system thermal, voltage, and stability limits so that instability, cascading failures, or malfunctions of such system will not occur as a result of a sudden disturbance, including a cybersecurity incident, or unanticipated failure of system elements.

“(5) The term ‘Interconnection’ means a geographic area in which the operation of bulk-power system components is synchronized such that the failure of 1 or more of such components may adversely affect the ability of the operators of other components within the system to maintain reliable operation of the facilities within their control.

“(6) The term ‘transmission organization’ means a Regional Transmission Organization, a Regional Interconnection, a transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities.

“(7) The term ‘regional entity’ means an entity having enforcement authority pursuant to subsection (e)(4).”.

(b) JURISDICTION AND APPLICABILITY.—(1) The Commission shall have jurisdiction, within the United States, over the ERO certified by the Commission under subsection (c), any regional entities, and all users, owners and operators of the bulk-power system.

“(2) This title does not apply to entities described in section 201(f), for purposes of approving reliability standards established under this section and enforcing compliance with this section. Users and operators of the bulk-power system shall comply with reliability standards that take effect under this section.

“(3) The Commission shall issue a final rule to implement the requirements of this section not later than 180 days after the date of enactment of this Act.

“(4) CERTIFICATION.—Following the issuance of a Commission rule under subsection (b)(2), any person may submit an application to the Commission for certification as the Electric Reliability Organization. The Commission may certify 1 such ERO if the Commission determines that such ERO—

“(1) has the ability to develop and enforce, subject to subsection (e)(2), reliability standards that provide for an adequate level of reliability of the bulk-power system; and

“(2) has established rules that—

“(A) assure its independence of the users and owners of the bulk-power system, while assuring fair stakeholder representation in the operation of its decision-making process; or

“(B) provide for reasonable notice and opportunity for public comment, due process, openness, and balance of interests in developing reliability standards and otherwise exercising its duties.

“(5) PROVIDE.—The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made under this section with the Commission.

“(6) EFFECTIVE DATE.—(1) The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made under this section with the Commission.

“(2) The Commission may approve, by rule or order, a proposed reliability standard or modification to a reliability standard that it determines that the standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission shall give due consideration to the technical inputs of the Electric Reliability Organization with respect to the content of a proposed standard or modification to a

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reliability standard and to the technical expertise of a regional entity organized on an Interconnection-wide basis with respect to a reliability standard to be applicable within that Interconnection that does not defer such an application to the effect of a standard on competition. A proposed standard or modification shall take effect upon approval by the Commission.

(3) Reliability Organization shall rebuttably presume that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest.

(4) The President shall require the Electric Reliability Organization for further consideration a proposed reliability standard or a modification to a reliability standard that the Commission disapproves in whole or in part. 

(5) The Commission, upon its own motion or upon request, may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or a modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to the Commission.

(6) The final rule adopted under subsection (b)(2) shall include fair processes for the identification and timely resolution of any conflict between a reliability standard and any function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission applicable to a transmission organization. Such transmission organization shall continue to comply with such function, rule, order, tariff, rate schedule or agreement accepted approved, or ordered by the Commission until—

(A) the Commission finds a conflict exists between a reliability standard and any such provision;

(B) the Commission orders a change to such provision pursuant to section 206 of this part; and

(C) the Commission determines that a reliability standard needs to be changed as a result of such a conflict, it shall order the ERO to develop and file with the Commission a modified reliability standard under paragraph (4) or (5) of this subsection.

(e) Enforcement.—(1) The ERO may impose, upon a failure to comply with a reliability standard, or upon a violation of a reliability standard, the Commission may order compliance with a reliability standard and may impose a penalty to which such violation is subject, if the Commission finds, after notice and opportunity for hearing, that the user or owner or operator of the bulk-power system has engaged in or about to engage in any acts, practices, or courses of conduct that constitute or will constitute a violation of a reliability standard.

(2) The Commission shall promulgate regulations authorizing the ERO to enter into an agreement to delegate authority to a regional entity for the purpose of proposing reliability standards to the ERO and enforcing reliability standards under paragraph (1) if—

(A) the regional entity is governed by—

(i) an independent board;

(ii) a balanced stakeholder board; or

(iii) a combination independent and balanced stakeholder board.

(B) the regional entity otherwise satisfies the provisions of subsection (c)(1) and (2); and

(C) the agreement promotes effective and efficient administration of bulk-power system reliability.

The Commission may modify such delegation. The ERO and the Commission shall rebuttably presume that a proposal for delegation to a regional entity organized on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest. The agreement describing the governance of an existing or proposed regional entity within the same region, whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest are reasonable. 

(f) Changes in Electric Reliability Organization.—(1) A change in the administration of bulk-power system reliability should be approved. Such regulation may provide that the Commission may assign the ERO’s administration of bulk-power system reliability standards and may impose a penalty on a user, owner or operator of the bulk-power system that addresses a new or modified reliability standard that addresses a new or modified reliability standard to the technical expertise of a regional entity organized on an Interconnection-wide basis with respect to a reliability standard that may take effect not earlier than the 31st day after the date the notice is filed with the Commission.

(2) The Commission, after notice and opportunity for hearing, may determine and modify the penalty imposed under paragraph (1), shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner.

(3) A person that has violated a reliability standard may take effect not later than 30 days after the date the notice is filed with the Commission. Application to the Commission for review, or the initiation of review by the Commission on its own motion, shall not operate as a stay of such penalty unless the Commission otherwise orders upon its own motion or upon application by the user, owner or operator that is the subject of the penalty filed within 30 days after the date such notice is filed with the Commission. Application to the Commission for review, or the initiation of review by the Commission on its own motion, shall not operate as a stay of such penalty unless the Commission otherwise orders upon its own motion or upon application by the user, owner or operator that is the subject of such penalty. In any proceeding to review a penalty imposed under paragraph (1), the Commission, after notice and opportunity for hearing, may determine and modify the penalty imposed under paragraph (1), whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest are reasonable. 

(g) Reliability Reports.—The ERO shall conduct periodic assessments of the reliability and adequacy of the bulk-power system in North America.

(h) Coordination with Canada and Mexico.—The President is urged to negotiate international agreements with the governments of Canada and Mexico to provide for effective compliance with reliability standards and the effectiveness of the ERO in the United States and Canada or Mexico.

(i) Savings Provisions.—(1) The ERO shall have authority to develop and enforce compliance with reliability standards for only the bulk-power system.

(2) This section does not preclude the ERO or the Commission to order the construction of additional generation or transmission capacity to meet system reliability needs. Such standards may be enforced to ensure the safety, adequacy, and reliability of electric service within this State, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard, except that the State of New York may establish rules that result in greater reliability within that State, as long as such action is not inconsistent with any reliability standard.

(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard.

(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, and after notice and opportunity for comment, the Commission shall issue a final order determining whether a State action is in the public interest and any other responsibilities requested by the Commission. The Commission may give deference to the advice of any such regional advisory body if that body is organized on an Interconnection-wide basis.

(k) Alaska and Hawaii.—The provisions of this section do not apply to Alaska or Hawaii.

(l) Status of ERO.—The Electric Reliability Organization certified by the Federal Energy Regulatory Commission under section 215(c) of the Federal Power Act and any regional entity designated by the Commission regarding the governance of an existing or proposed regional entity within the United States, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard, except that the State of New York may establish rules that result in greater reliability within that State, as long as such action is not inconsistent with any reliability standard.

(2) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard.

(3) The Commission, after consultation with the ERO and the State taking action, may stay the effectiveness of any State action, pending the Commission’s issuance of a final order.

(5) Regional Advisory Bodies.—The Commission shall establish a regional advisory body on the petition of at least 25 of the States within a region that have more than 1⁄2 of their electric load served within the region. The advisory body shall be composed of 1 member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, organizations, and public interest or preferential, and in the public interest are reasonable.

(5) Access Approvals by Federal Agencies.—The Federal Energy Regulatory Commission under section 215(c) of the Federal Power Act and any regional entity designated by the Commission regarding the governance of an existing or proposed regional entity within the United States, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard, except that the State of New York may establish rules that result in greater reliability within that State, as long as such action is not inconsistent with any reliability standard.

(5) Access Approvals by Federal Agencies.—The Federal Energy Regulatory Commission under section 215(c) of the Federal Power Act and any regional entity designated by the Commission regarding the governance of an existing or proposed regional entity within the United States, as defined by each State, and may be enforced outside this State but only to the extent that such enforcement is consistent with any reliability standard, except that the State of New York may establish rules that result in greater reliability within that State, as long as such action is not inconsistent with any reliability standard.

Subtitle B—Transmission Infrastructure Modernization

SEC. 1221. SITING OF INTERSTATE ELECTRIC TRANSMISSION FACILITIES.

(a) In General.— Except as provided in the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

(5) nothing in chapter 121 of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

SEC. 1218. SITING OF INTERSTATE ELECTRIC TRANSMISSION FACILITIES.

(a) Designation of National Interest Electric Transmission Corridors.—Not later than 1 year after the date of enactment of this Act, the Secretary of Energy (referred to in this section as the ‘Secretary’), in consultation with affected

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states, shall conduct a study of electric transmission congestion.

"(2) After considering alternatives and recommendations from the affected agencies, and any other recommendations from interested parties (including an opportunity for comment from affected States), the Secretary shall issue a report, based on the study, which may designate any geographic area experiencing electric transmission congestion or other energy problems that adversely affects consumers as a national interest electric transmission corridor. The Secretary shall also conduct the study and issue the report in consultation with any appropriate regional entity referred to in section 215.

"(4) In determining whether to designate a national interest electric transmission corridor under paragraph (2), the Secretary may consider whether—

"(A) the economic vitality and development of the corridor, or the end markets served by the corridor, may be constrained by lack of adequate or reasonably priced electricity;

"(B) economic growth in the corridor, or the end markets served by the corridor, may be jeopardized by reliance on limited sources of energy; and

"(C) a diversification of supply is warranted; and

"(D) the energy independence of the United States would be served by the designation;

"(2) the designation would be in the interest of national energy policy; and

"(E) the designation would enhance national defense and homeland security.

"(b) CONSTRUCTION PERMIT.—Except as provided in subsection (i), the Commission may, after notice and an opportunity for hearing, issue or modify permits for the construction or modification of electric transmission facilities in a national interest electric transmission corridor designated by the Secretary under subsection (a) if the application finds that—

"(1) a State in which the transmission facilities are to be constructed or modified does not have authority to—

"(i) approve the siting of the facilities; or

"(ii) consider the interstate benefits expected to be achieved by the proposed construction or modification of transmission facilities in the State;

"(b) the applicant for a permit is a transmitting utility under this Act but does not qualify to apply for a permit or siting approval for the proposed project in a State because the applicant does not serve end-use customers in the State; or

"(c) a State commission or other entity that has authority to approve the siting of the facilities has—

"(i) withheld approval for more than 1 year after the filing of an application seeking approval pursuant to applicable law or 1 year after the designation of the relevant national interest electric transmission corridor, whichever is later; or

"(ii) conditioned its approval in such a manner that the proposed construction or modification will significantly reduce transmission congestion in interstate commerce or is not economically feasible;

"(2) the facilities to be authorized by the permit will not significantly reduce transmission congestion in interstate commerce or is not economically feasible;

"(3) the proposed construction or modification is consistent with the public interest;

"(4) the proposed construction or modification will significantly reduce transmission congestion in interstate commerce and protects or benefits consumers;

"(5) the proposed construction or modification is consistent with sound national energy policy and will enhance energy independence; and

"(6) the proposed modification will maximize, to the extent reasonable and economical, the transmission capabilities of existing towers or structures.

"(c) PERMIT APPLICATIONS.—(1) Permit applications under subsection (b) shall be made in writing to the Commission.

"(2) The Commission shall issue rules specifying—

"(A) the form of the application;

"(B) the information to be contained in the application;

"(C) the manner of service of notice of the permit application on interested persons;

"(D) COMMISSION PROCEEDINGS.—Before the Commission issues a permit for an electric transmission facility, the Commission shall afford each affected Federal agency and Indian tribe, private property owners, and other interested persons, a reasonable opportunity to present their views and recommendations with respect to the location and impact of a facility covered by the permit.

"(E) RIGHTS-OF-WAY.—(1) In the case of a permit under subsection (b) for electric transmission facilities to be located on property other than property owned by the United States or a State, if the permit holder cannot acquire by contract, or is unable to agree with the owner of the property to the compensation to be paid for, the necessary right-of-way to construct or modify the transmission facilities, the permit holder may acquire the right-of-way by the exercise of the power of eminent domain in the district court of the United States for the district in which the property concerned is located, or in the appropriate court of the State in which the property is located.

"(2) Any right-of-way acquired under paragraph (1) shall be used exclusively for the construction or modification of electric transmission facilities within a reasonable period of time after the acquisition.

"(3) The practice and procedure in any action or proceeding under subsection (b) of this section, and the manner in which the right-of-way is acquired, shall be determined in accordance with the procedures described in section 1521 of title 43, United States Code.

"(F) COMPENSATION.—(1) Any right-of-way acquired under subsection (b) shall be considered a taking of private property for which just compensation is due.

"(2) Just compensation shall be an amount equal to the fair market value of the right-of-way (excluding applicable severance damages) of the property taken on the date of the exercise of eminent domain authority.

"(3) STATE LAW.—Nothing in this section precludes any person from constructing or modifying any transmission facility in accordance with State law.

"(G) RIGHTS-OF-WAY.—The President, after consultation with the affected agencies, may extend any right-of-way acquired under subsection (b) of this section, to ensure timely and efficient review and permit decisions.

"(H) DETERMINATION OF FEDERAL AUTHORIZATIONS FOR TRANSMISSION FACILITIES.—(1) In this subsection:

"(A) The term 'Federal authorization' means any authorization required under Federal law in order to site a transmission facility.

"(B) The term 'Federal authorization' includes such permits, special use authorizations, certifications, opinions, or other authorizations as may be required under Federal law in order to site a transmission facility.

"(C) The Department of Energy shall act as the lead agency for purposes of coordinating all applicable Federal authorizations and related environmental reviews of the facility.

"(2) The Secretary shall coordinate the Federal authorization and review process under this subsection with any Indian tribe or special interest group that is responsible for conducting any separate permitting and environmental reviews of the facility.
shall issue any regulations necessary to implement this subsection.

“(B)(i) Not later than 1 year after the date of enactment of this section, the Secretary and the heads of all the Federal agencies with authority to issue Federal authorizations shall enter into a memorandum of understanding to ensure the timely and coordinated review and permitting of electric transmission facilities.

“(ii) Interested Indian tribes, multi-state entities, and State agencies may enter the memorandum of understanding.

“(C) The Heads of each Federal agency with authority to issue a Federal authorization shall designate a senior official responsible for, and dedicated staff and resources to, ensure full implementation of the regulations and memorandum required under this paragraph.

“(B)(i) Each Federal land use authority for an electric transmission facility shall be issued—

“(ii) for a duration, as determined by the Secretary, commensurate with the anticipated use of the facility; and

“(iii) with appropriate authority to manage the right-of-way for reliability and environmental protection.

“(B) On the expiration of the authorization (including an authorization issued before the date of enactment of this section), the authorization shall not be renewed fully into account reliance on such electricity infrastructure, recognizing the importance of the authorization for public health, safety, and economic welfare and as a legitimate use of Federal land.

“(9) In exercising the responsibilities under this section, the Secretary shall consult regularly with—

“(A) the Federal Energy Regulatory Commission;

“(B) electric reliability organizations (including related regional entities) approved by the Commission; and

“(C) Transmission Organizations approved by the Commission.

“(1) INTERSTATE COMPACTS.—(1) The consent of Congress is given for 3 or more contiguous States to enter into an interstate compact, subject to approval by Congress, establishing regional transmission siting agencies to—

“(A) facilitate siting of future electric energy transmission facilities within those States; and

“(B) establish electric energy transmission siting responsibilities of those States.

“(2) The Secretary may provide technical assistance to regional transmission siting agencies established under this subsection.

“(3) The regional transmission siting agencies shall have the authority to review, certify, and permit siting of transmission facilities, including facilities in national interest electric transmission corridors (other than facilities on property owned by the United States).

“(4) The Commission shall have no authority to issue a permit for the construction or modification of an electric transmission facility within a State that is a party to a compact, unless the member States are in agreement with the compact and the Secretary makes, after notice and an opportunity for a hearing, the finding described in subsection (b)(1)(C).

“(5) The Relationship to Other Laws.—(1) Except as specifically provided, nothing in this section affects any requirement of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(2) Subsection (h)(6) shall not apply to any unit of the National Park System, the National Wildlife Refuge System, the National Wild and Scenic Rivers System, the National Trails System, the National Wilderness Preservation System, or a National Monument.

“(6) In carrying out a Project under subsection (a) or (b), the Secretary may accept and use funds contributed by another entity for the purpose of carrying out the Project.

“(7) AVAILABILITY.—The contributed funds shall be available for expenditure for the purpose of carrying out the Project (A) without fiscal year limitation; and

“(B) as if the funds had been appropriated specifically for that Project.

“(C) ALLOCATION OF COSTS.—In carrying out a Project under subsection (a) or (b), any costs of the Project not paid for by contributions from another entity shall be collected through rates charged customers using the new transmission capability provided by the Project and allocated equitably among these project beneficiaries using the new transmission capability.

“(D) RELATIONSHIP TO OTHER LAWS.—Nothing in this section affects any requirement of—

“(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

“(2) any Federal or State law relating to the siting of energy facilities; or

“(3) any existing or other existing statutes.

“(E) SAVINGS CLAUSE.—Nothing in this section shall constrain or restrict an Administrator in the utilization of other authority delegated to the Administrator of WAPA or SWPA.

“(F) SECRETARIAL DETERMINATIONS.—Any determination made pursuant to subsections (a) or (b) shall be based on findings by the Secretary using the best available data.

“(G) MAXIMUM FUNDING AMOUNT.—The Secretary shall not accept and use more than $370,000,000 under subsection (c)(1) for the period encompassing fiscal years 2006 through 2015.

**SEC. 1223. ADVANCED TRANSMISSION TECHNOLOGY.**

(a) DEFINITION OF ADVANCED TRANSMISSION TECHNOLOGY.—In this section, the term ‘advanced transmission technology’ means a technology that increases the capacity, efficiency, or reliability of an existing or new transmission facility, including—

(1) high-voltage lines (including superconducting cables);

(2) underground cables;

(3) advanced conductor technology (including advanced composite conductors, high-temperature super-conducting, and infra-optic temperature sensing conductors);

(4) high-voltage ceramic air-core, ceramic, or metal-core conductors;

(5) high-voltage direct current transmission facilities or lines (including multiple parallel transmission lines);

(6) modular equipment;

(7) effective use of the power of the transmission grid; and

(8) [inserted by the Act].

(b) REPORTS TO CONGRESS ON CORRIDORS AND RIGHTS OF WAY ON FEDERAL LANDS.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Southwestern Power Administration, the Chairman of the Council on Environmental Quality shall submit to Congress a joint report identifying—

(1) all existing designated transmission and distribution corridors on Federal land and the status of work related to proposed transmission and distribution corridor designations under title V of the Federal Power Act and Management Act of 1976 (43 U.S.C. 1762 et seq.);

(2) the schedule for completing the work;

(3) any impediments to completing the work; and

(4) steps that Congress could take to expedite the process.

(c) CONSTRUCTION.—The number of pending applications to locate transmission facilities on Federal land;

(d) Key information relating to each such facility;

(e) How long each application has been pending;

(f) The scheduled for issuing a timely decision as to each facility; and

(g) Progress in incorporating existing and new such rights-of-way into relevant land use and resource management plans or the equivalent of those plans.

(b) Statement of the Secretary concerning the Secretary’s responsibilities under this section.

(c) Authorization review for renewal taking into account—

(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) any Federal or State law relating to the siting of energy facilities; or

(3) any existing or other existing statutes.

(d) Secretary’s role in coordinating efforts to reduce the duplication of functions among existing transmission facilities or proposed facilities which are the subject of ongoing or approved siting and related permitting proceedings.

(e) Authorization of costs.—In carrying out a Project under subsection (a) or (b), any costs of the Project not paid for by contributions from another entity shall be collected through rates charged customers using the new transmission capability provided by the Project and allocated equitably among these project beneficiaries using the new transmission capability.

(f) RELATIONSHIP TO OTHER LAWS.—Nothing in this section affects any requirement of—

(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) any Federal or State law relating to the siting of energy facilities; or

(3) any existing or other existing statutes.

(g) SAVINGS CLAUSE.—Nothing in this section shall constrain or restrict an Administrator in the utilization of other authority delegated to the Administrator of WAPA or SWPA.

(h) SECRETARIAL DETERMINATIONS.—Any determination made pursuant to subsections (a) or (b) shall be based on findings by the Secretary using the best available data.

(i) MAXIMUM FUNDING AMOUNT.—The Secretary shall not accept and use more than $370,000,000 under subsection (c)(1) for the period encompassing fiscal years 2006 through 2015.
SEC. 1224. ADVANCED POWER SYSTEM TECHNOLOGY INCENTIVE PROGRAM.

(a) PROGRAM.—The Secretary is authorized to establish an Advanced Power System Technology Incentive Program to support the deployment of certain advanced power system technologies and to improve and protect certain critical governmental, industrial, and commercial processes. Funds provided under this section shall be used by the Secretary to make incentive payments to eligible owners or operators of advanced power system technologies in the amount necessary to increase power generation through enhanced operational, economic, and environmental performance. Payments under this section may only be made in accordance with the following:

(1) a qualifying advanced power system technology facility; or

(2) a qualifying security and assured power facility.

(b) INCENTIVES.—Subject to availability of funds under subsection (a), any payment under this section shall be paid to the owner or operator of a qualifying advanced power system technology facility under this section for electricity generated.

(1) A PROPER REGULATORY AUTHORITY.—An additional 0.7 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying security and assured power facility for electricity generated at such facility. Any facility qualifying under this section shall be eligible for an incentive payment for up to, but not more than, the first 10,000,000 kilowatt-hours produced in any fiscal year.

(c) ELIGIBILITY.—For purposes of this section:

(1) QUALIFYING ADVANCED POWER SYSTEM TECHNOLOGY FACILITY.—The term “qualifying advanced power system technology facility” means an advanced power system, fuel cell, turbine, or hybrid power system or power storage system that is capable of generating or storing electric energy.

(2) QUALIFYING SECURITY AND ASSURED POWER FACILITY.—The term “qualifying security and assured power facility” means a facility that is consistent with the definition given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(d) AUTHORIZATION.—The Commission may not take any action under this section that would violate a private activity bond rule for purposes of section 141 of the Internal Revenue Code of 1986.

(e) REPEAL.—The provision of this section shall cease to be in effect on December 31, 2010.

SEC. 1225. TRANSMISSION ORGANIZATION.

(a) PROGRAM.—The Secretary is authorized to establish a Transmission Organization that is designated to provide nondiscriminatory transmission access.

(b) AUTHORITY.—The Secretary may require or authorize a Federal utility to provide transmission services to itself and that are not precluded by the Federal utility related to the transmission facilities that are the subject of the contract, agreement, or other arrangement.

(c) CONTENTS.—The contract, agreement, or arrangement shall include—

(1) performance standards for operation and use of the transmission service provided by the United States and operated by a Federal utility.

(2) provisions for the resolution of disputes through arbitration or other means with the Transmission Organization or with other participants, concerning the transmission service, the obligations and limitations of any other law regarding arbitration; and

(3) a provision that allows the Federal utility to withdraw from the Transmission Organization and terminate the contract, agreement, or other arrangement in accordance with its terms.

(d) COMMISSION.—Neither this section, actions taken pursuant to this section, nor any other transmission service of a Federal utility participating in a Transmission Organization shall confer on the Commission jurisdiction or authority over—

(1) the electric generation assets, electric capacity, or energy of the Federal utility that the Federal utility is authorized by law to market; or

(2) the power sales activities of the Federal utility.

(e) EXISTING STATUTORY AND OTHER OBLIGATIONS.—Nothing in this section shall—

(1) affect any provision requiring or authorizing a Federal utility to provide transmission services to itself.

(2) affect any provision of Federal law in effect on the date of enactment of this Act, or any requirement or direction relating to the use of the transmission system of the Federal utility, environmental protection, fish and wildlife protection, flood control, navigation, water delivery, or recreation; or

(3) authorize abrogation of any contract or transmission service.

(f) COMFORMING AMENDMENT.—Section 311 of the Energy and Water Development Appropriations Act, 2001 (16 U.S.C. 824n) is repealed.

SEC. 1226. NATIVE LOAD SERVICE OBLIGATION.

(a) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by inserting after section 211 (16 U.S.C. 824x) the following:

“SEC. 211A. OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES.

“(a) DEFINITION OF UNREGULATED TRANSMITTING UTILITIES.—In this section, the term ‘unregulated transmitting utility’ means an entity that—

(1) owns or operates facilities used for the transmission of electric energy in interstate commerce; and

(2) is an entity described in section 201(f).

“(b) TRANSMISSION OPERATION SERVICES.—Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

(1) at rates that are comparable to those under which the unregulated transmitting utility charges itself; and

(2) on terms and conditions (not relating to rates) that are comparable to those under which the unregulated transmitting utility provides transmission services to itself and that are not unduly discriminatory.

“(c) EXEMPTION.—The Commission shall exempt from any rule or order under this section any unregulated transmitting utility that—

(1) sells more than 4,000,000 megawatt-hours of electricity per year; and

(2) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion of the system); or

(3) meets other criteria the Commission determines to be in the public interest.

“(d) LOCAL DISTRIBUTION FACILITIES.—The requirements of subsection (b) shall not apply to facilities used in local distribution.

“(e) EXISTING STATUTORY AND OTHER OBLIGATIONS.—The provision of transmission services under subsection (b) does not preclude a request for transmission services under section 211.

“(f) LIMITATION.—The Commission may not require or authorize a Federal regulatory authority to take action under this section that would violate a private activity bond rule for purposes of section 141 of the Internal Revenue Code of 1986.

“(g) APPLICATION TO UNREGULATED TRANSMITTING UTILITIES.—The rule changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

“(h) REMAND.—In exercising authority under subsection (b)(1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision if necessary to meet the requirements of subsection (b).

“(i) OTHER REQUESTS.—The provision of transmission services under subsection (b) does not preclude a request for transmission services under section 211.

“(j) AUTHORIZATION.—Nothing in this section shall—

(1) affect any provision requiring or authorizing a Federal utility to provide transmission services to itself.

(2) affect any provision of Federal law in effect on the date of enactment of this Act, or any requirement or direction relating to the use of the transmission system of the Federal utility, environmental protection, fish and wildlife protection, flood control, navigation, water delivery, or recreation; or

(3) authorize abrogation of any contract or transmission service.

“(k) COMFORMING AMENDMENT.—Section 311 of the Energy and Water Development Appropriations Act, 2001 (16 U.S.C. 824n) is repealed.

SEC. 1227. NATIVE LOAD SERVICE OBLIGATION.

(a) DEFINITIONS.—In this section—

(1) the term ‘distribution utility’ means an electric utility that has a service obligation to end-users or to a State utility or electric cooperative that, directly or through one or more additional State utilities or electric cooperatives, provides electric service to end-users;
ties, and enables load-serving entities to secure authority of the Commission under this Act in a manner consistent with the requirements of section 212(j).

(c) A LLOCATION OF TRANSMISSION RIGHTS.

(1) The Commission, by contract or by reason of ownership or future ownership of transmission facilities, shall assign transmission rights to other entities in a manner determined by the Commission to be just, reasonable, and not unduly discriminatory or preferential.

(2) Nothing in this subsection affects the requirements of section 212(j).

(d) EFFECT OF EXERCISING RIGHTS.—An entity that to the extent required to meet its service obligations exercises rights described in subsection (b) shall not be considered by such action as engaging in undue discrimination or preference under this Act.

(3) The Commission shall not issue an order on the basis of this subsection that is contrary to the purposes of section 212(j).

(e) ERCOT.—Nothing in this Act requires the exercise of any Commission authority to require an electric utility or person to convert to tradable or financial transmission rights.

(f) PROTECTION OF TRANSMISSION CONTRACTS.—Nothing in this Act affects the Commission's authority to protect transmission contracts that are essential to the reliable operation of the power grid.

(g) SENSE OF CONGRESS.—Congress—

(A) notes the concerns of the New England Power Pool that required transmission rights might not be sufficient to meet the service obligations of the load-serving entities.

(B) in that portion of a State included in the geographic area proposed for a regional transmission organization, the Commission shall be considered to hold firm transmission rights for the transmission of the power provided.

(h) TVA AREA.—(1) Subject to paragraphs (2) and (3), for purposes of subsection (b)(1)(B), a load-serving entity that is located within the service area of the Tennessee Valley Authority and that has a firm wholesale power supply contract with the Tennessee Valley Authority shall be considered to hold firm transmission rights for the transmission of the power provided.

(i) JURISDICTION.—This section does not authorize the Commission to take any action not otherwise within the jurisdiction of the Commission.

(j) REAL PROPERTY.—Nothing in this Act affects the Commission's authority to acquire, by contract, by reason of ownership or future ownership of transmission facilities.

(k) EFFECT OF EXERCISING RIGHTS.—The Secretary, in coordination with the States, shall establish procedures to improve the ability of nonutility generation resources to offer their output for sale to other entities in a manner consistent with the requirements of section 212(j).

(l) Protection of Transmission Contracts.—Nothing in this Act shall affect the Commission's authority to protect transmission contracts that are essential to the reliable operation of the power grid.

(m) SENSE OF CONGRESS.—Congress—

(A) notes the concerns of the New England Power Pool that required transmission rights might not be sufficient to meet the service obligations of the load-serving entities.

(B) in that portion of a State included in the geographic area proposed for a regional transmission organization, the Commission shall be considered to hold firm transmission rights for the transmission of the power provided.

(2) The Commission shall not issue an order on the basis of this subsection that is contrary to the purposes of section 212(j).

(3) Nothing in this subsection affects the requirements of section 212(j).

SEC. 1234. STUDY ON THE BENEFITS OF ECOL- oNOMIC ENERGY DEPENDENCY.

(a) STUDY.—The Secretary, in coordination with the States, shall conduct a study on—

(1) the procedures currently used by electric utilities to perform economic dispatch;

(2) identifying possible revisions to those procedures to improve the ability of nonutility generation entities to offer their output for sale for the purpose of inclusion in economic dispatch; and

(3) the potential benefits to residential, commercial, and industrial electricity consumers nationally and in each state if economic dispatch procedures were revised to improve the ability of nonutility generation entities to offer their output for sale in an economic dispatch market.

(b) DEFINITION.—The term "economic dispatch" means a method of dispatching electric generation resources to meet the output requirements of a power system to provide electric service at the lowest possible cost, taking into account the availability of generation resources and the impact of economic factors on their output.

(c) TRANSMISSION INFRASTRUCTURE IN- FRASTRUCTURE IMPROVEMENTS.—The Secretary of Energy shall submit to the Congress a report on the potential benefits of implementing improvements to the transmission infrastructure to support the economic dispatch of generation resources.

(d) SENSE OF CONGRESS.—Congress—

(A) notes the concerns of the New England Power Pool that required transmission rights might not be sufficient to meet the service obligations of the load-serving entities.

(B) in that portion of a State included in the geographic area proposed for a regional transmission organization, the Commission shall be considered to hold firm transmission rights for the transmission of the power provided.

(2) The Commission shall not issue an order on the basis of this subsection that is contrary to the purposes of section 212(j).

SEC. 1235. PROTECTION OF TRANSMISSION CONTRACTS IN THE PACIFIC NORTH- WEST.

(a) DEFINITION OF ELECTRIC UTILITY OR PERSON.—In this section, the term "electric utility or person" means an electric utility or person that—

(1) of the date of enactment of the Energy Policy Act of 2005 holds firm transmission rights associated with the output of Federal generation facilities, or holds one or more contracts or service agreements for firm transmission service, holds firm transmission rights for delivery of the output of the generation facilities or purchased energy for the purpose of meeting a service obligation; and

(2) by reason of ownership of transmission facilities or contracts or service agreements for firm transmission service, holds firm transmission rights for delivery of the output of the generation facilities or purchased energy for the purpose of meeting a service obligation.

(b) MEETING SERVICE OBLIGATIONS.—(1) Paragraph (2) applies to any load-serving entity that, as of the date of enactment of this section—

(1) owns generation facilities, markets the output of Federal generation facilities, or holds rights under 1 or more wholesale contracts to purchase electric energy, for the purpose of meeting a service obligation; and

(2) by reason of ownership of transmission facilities or contracts or service agreements for firm transmission service, holds firm transmission rights for delivery of the output of the generation facilities or purchased energy for the purpose of meeting a service obligation.

(c) R EPORT TO CONGRESS AND THE STATES.

(1) The Secretary, in coordination with the States, shall submit a report to the Commission and the State utility commissions for the purpose of developing a specific policy for offering their output for sale to other entities in a manner consistent with the requirements of section 212(j).

(2) The Secretary, in coordination with the States, shall submit a report to Congress and the States for any additional recommendations to Congress and the States for any suggested legislative or regulatory changes.

SEC. 1236. SENSE OF CONGRESS REGARDING LOCA- TIONAL INSTALLED CAPACITY MECHANISM.

(a) FINDINGS.—Congress finds that—

(1) in regard to a proposal to develop and implement a specific type of locational installed capacity mechanism in New England pending before the Federal Energy Regulatory Commission; and

(2) the Governors of the States have objected to the proposed mechanism, arguing that the need for such a mechanism would not provide adequate assurance that necessary electric generation capacity or reliability will be provided; and

(b) Congress should carefully consider the States' objections.
§ 219. TRANSMISSION INFRASTRUCTURE INVESTMENT.

(a) Rulemaking Requirement.—Not later than 1 year after the date of enactment of this section, the Commission shall establish, by rule, incentive-based (including performance-based) rate treatments for the transmission of electric energy in interstate commerce by public utilities for the purpose of benefiting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmission congestion.

(b) The rule shall—

(1) promote reliable and economically efficient transmission and generation of electricity by promoting capital investment in the enlargement, modification, maintenance, and replacement of all facilities for the transmission of electric energy in interstate commerce, regardless of the ownership of the facilities;

(2) provide for a return on equity that attracts new investment in transmission facilities and improve the operation of the facilities; and

(3) avoid recovery of—

(A) all prudently incurred costs necessary to comply with mandatory reliability standards issued pursuant to section 215; and

(B) prudently incurred costs related to transmission infrastructure development pursuant to section 216.

(c) Incentives.—In the rule issued under this section, the Commission shall, to the extent within its jurisdiction, provide for incentives to each transmitting electric utility or electric utility that joins a Transmission Organization. The Commission shall ensure that any costs recoverable pursuant to this subsection may be recovered by such utility through the transmission rates charged by such utility or through the transmission rates charged by the Transmission Organization that provides transmission service to such utility.

(d) Just and Reasonable Rates.—All rates approved under the rules adopted pursuant to this section, including any revisions to the rules, are subject to the requirements of sections 205 and 206 that all rates, charges, terms, and conditions be just and reasonable and not unduly discriminatory or preferential.

§ 212. FUEL SOURCES.

(a) Fuel Sources.—Each electric utility shall develop a plan to minimize dependence on fuel sources and to ensure that the electric energy it sells to consumers is generated using a diverse range of technologies, including renewable technologies.

(b) Fossil Fuel Generation Efficiency.—Each electric utility shall develop and implement a plan to increase the efficiency of its fossil fuel generation.

§ 220. SMART METERING.

(a) Smart Metering.—(1) Time-of-use pricing whereby electricity prices are set for a specific time period on an advance or forward basis, typically not changing more often than twice a year, based on the utility's cost of generating and/or purchasing such electricity at the wholesale level for the benefit of the consumer; and (2) critical peak pricing whereby time-of-use pricing is in effect except for certain peak days, when prices may reflect the costs of generating and/or purchasing electricity at the wholesale level when consumption exceeds additional demand or supply. The term "smart metering" means service to any electric consumer that the electric utility shall offer each of its customer classes, and provide individual customers upon request, a time-based metering and communications service.

(b) State Investigation of Demand Response and Time-Based Metering.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended as follows:

(1) By inserting in subsection (b) after the phrase "the standard for time-of-day rates established by section 112(d)(1)" the following: "the standard for time-of-use rates established by section 112(d)(14)", the investigation requirement of section 111(d)(14)(F) shall be as follows: Each State regulatory authority shall conduct an investigation of time-of-use pricing and communications established by section 112(d)(14) (F)."

(2) By inserting in subsection (b) after the phrase "are likely to exceed the metering" the following: "and communications receive additional regulations and requirements for appropriate for electric utilities to provide and install time-based meters and communications devices.

The variance, if any, in the utility's costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule shall enable the electric consumer to manage energy use and the use of advanced metering and communications technology.

(b) The types of time-based rate schedules that may be offered under the schedule referred to in paragraph (a) include, among others—

(i) time-of-use pricing whereby electricity prices are set for a specific time period on an advance or forward basis, typically not changing more often than twice a year, based on the utility's cost of generating and/or purchasing such electricity at the wholesale level for the benefit of the consumer; and (ii) critical peak pricing whereby time-of-use pricing is in effect except for certain peak days, when prices may reflect the costs of generating and/or purchasing electricity at the wholesale level when consumption exceeds an additional demand or supply.

(c) State Investigation of Demand Response and Time-Based Metering.—(1) Time-of-use pricing whereby electricity prices are set for a specific time period on an advance or forward basis, typically not changing more often than twice a year, based on the utility's cost of generating and/or purchasing such electricity at the wholesale level for the benefit of the consumer; and (ii) critical peak pricing whereby time-of-use pricing is in effect except for certain peak days, when prices may reflect the costs of generating and/or purchasing electricity at the wholesale level when consumption exceeds additional demand or supply.
for each of their customers which enable such customers to participate in time-based pricing rate schedules and other demand response programs.

(c) FEDERAL ASSISTANCE ON DEMAND RESPONSE.—Section 132(a) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2642(a)) is amended by striking “and” at the end of paragraph (4) and inserting “; and” and, by adding the following at the end thereof:

“(5) the technologies, techniques, and rate-making methods related to advanced metering and communications and the use of these technologies, techniques and methods in demand response programs.”

(d) FEDERAL GUIDANCE.—Section 132 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2642) is amended by adding the following at the end thereof:

“(d) DEMAND RESPONSE.—The Secretary shall be responsible for—

(1) educating consumers on the availability, advantages, and benefits of advanced metering and communications technologies, including the funding of demonstration or pilot projects;

(2) working with States, utilities, other energy providers and advanced metering and communications experts to identify and address barriers to the adoption of demand response programs; and

(3) not later than 180 days after the date of enactment of the Energy Policy Act of 2005, providing Congress with a report that identifies and quantifies the benefits of advanced metering and communications technology, rate design, and advanced metering and communications technologies, and describes why the conditions set forth in subparagraphs (A) and (B).

(e) PRIOR STATE ACTIONS REGARDING SMART METERING STANDARDS.—

(1) IN GENERAL.—Section 112 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2642) is amended by adding at the end thereof:

“(f) PRIOR STATE ACTIONS.—Sections (b) and (c) of this section shall not apply to the standard established by paragraph (14) of section 111(d) in the case of any electric utility in a State if, before the enactment of this subsection—

(1) the State has implemented for such utility the standard concerned (or a comparable standard); or

(2) the State regulatory authority for such State or relevant nonregulated electric utility has conducted a proceeding to consider implementation of such standard (or a comparable standard) for such utility within the previous 3 years; or

(3) the State legislation has voted on the implementation of such standard (or a comparable standard) for such utility within the previous 3 years.”.

(2) CROSS REFERENCE.—Section 124 of such Act (16 U.S.C. 2634) is amended by adding the following at the end thereof:

“(g) CROSS REFERENCE.—In the case of the standard established by paragraph (14) of section 111(d), the reference contained in this subsection to the date of enactment of such paragraph (14).”.

SEC. 1253. COGENERATION AND SMALL POWER PRODUCTION PURCHASE AND SALE REQUIREMENTS.

(a) TERMINATION OF MANDATORY PURCHASE AND SALE REQUIREMENTS.—

(1) OBLIGATION TO PURCHASE.—After the date of enactment of this subsection, no electric utility shall be required to enter into a contract or obligation to purchase electric energy from a qualifying cogeneration facility or a qualifying small power production facility that is interconnected to the electric utility’s distribution or transmission system, or to pay for such electric energy, if the Commission finds that the qualifying cogeneration facility or qualifying small power production facility has discriminatory access to the electric utility’s distribution or transmission system.

(2) OBLIGATION TO PAID.—(A) Any electric utility making a finding under paragraph (3) relieving an electric utility of its obligation to purchase electric energy, a qualifying cogeneration facility, or a qualifying small power production facility shall be deemed to have relieved the electric utility of its obligation to purchase electric energy under this section.

(3) OBLIGATION TO PAY.—At any time after the electric utility makes a finding under paragraph (3) relieving an electric utility of its obligation to purchase electric energy, a qualifying cogeneration facility, or a qualifying small power production facility, the Commission shall consider, among other factors, evidence of transactions within the relevant market, or

(C) wholesale markets for the sale of capacity and electric energy that are, at a minimum, of comparable competitive quality as markets described in subparagraphs (A) and (B) and

(2) REVISED PURCHASE AND SALE OBLIGATION FOR NEW FACILITIES.—(A) At any time after the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase from or sell electric energy to a facility that is not an existing qualifying cogeneration facility or qualifying small power production facility established by the Commission pursuant to the rulemaking required by subsection (n).

(2) COMMISSION REVIEW.—Any electric utility making a finding under paragraph (3) shall file an application for relief from the mandatory purchase obligation pursuant to this subsection on a service territory-wide basis. Such application shall set forth the factual basis upon which relief is requested and describe why the conditions set forth in subparagraphs (A), (B), or (C) of paragraph (1) of this subsection have been met. After notice, including sufficient time for affected qualifying cogeneration facilities and qualifying small power production facilities, and an opportunity for comment, the Commission shall make a final determination within 90 days of such application regarding whether the conditions set forth in subparagraphs (A), (B), or (C) of paragraph (1) have been met.

(C) RESTATEMENT OF OBLIGATION TO PURCHASE.—At any time after the Commission makes a finding under paragraph (3) relieving an electric utility of its obligation to purchase electric energy, a qualifying cogeneration facility, or a qualifying small power production facility, the State agency, or any other affected person may apply to the Commission for an order reinstituting the obligation for the purchase of electric energy under this section. Such application shall set forth the factual basis.
Upon which the application is based and describes why the conditions set forth in subparagraphs (A), (B) or (C) of paragraph (1) of this subsection are no longer met. After notice, including to potentially affected utilities, and opportunity for comment, the Commission shall issue an order within 90 days of such application reinstating the electric utility's obligations to purchase any qualifying small power production facility or any qualifying cogeneration facility or a qualifying small power production facility under this section if the Commission finds that the conditions set forth in subparagraphs (A), (B) or (C) of paragraph (1) which relieved the obligation to purchase were no longer met.

(5) OBLIGATION TO SELL. — After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase any qualifying small power production facility or a qualifying cogeneration facility or a qualifying small power production facility under this section if the Commission finds that:

(A) retailing electric suppliers are willing and able to sell and deliver electric energy to the qualifying cogeneration facility or qualifying small power production facility; and

(B) the electric utility is not required by State law to sell electric energy in its service territory.

(6) NO EFFECT ON EXISTING RIGHTS AND REMEDIES. — Nothing in this subsection affects the rights or remedies of any party under any contract or obligation, in effect or pending approval before the date of enactment of a State regulatory authority or non-regulated electric utility on the date of enactment of this subsection, to purchase electric energy or capacity from or to sell electric energy to a qualifying cogeneration facility or qualifying small power production facility under this Act (including the right to recover costs of purchasing electric energy or capacity).

(7) RECOVERY OF COSTS. — (A) The Commission shall issue and enforce such regulations as are necessary to ensure that an electric utility that purchases electric energy or capacity from a qualifying cogeneration facility or qualifying small power production facility in accordance with any legally enforceable obligation entered into or imposed under this section recovers all prudently incurred costs associated with the purchase.

(B) A regulation under subparagraph (A) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act (16 U.S.C. 791a et seq.).

(8) RULEMAKING FOR NEW QUALIFYING FACILITIES. — (1) Not later than 180 days after the date of enactment of this section, the Commission shall issue a regulation in 18 C.F.R. 292.205 for new qualifying cogeneration facilities seeking to sell electric energy pursuant to section 210 of this Act to ensure:

(i) that the thermal energy output of a new qualifying cogeneration facility is used in a productive and beneficial manner;

(ii) the electrical, thermal, and chemical output of a new qualifying cogeneration facility is used fundamentally for industrial, commercial, or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technologies and effectively affects variable thermal energy requirements, as well as State laws applicable to sales of electric energy from a qualifying facility to its host facility.

(9) CONTINUING PROGRESS IN THE DEVELOPMENT OF EFFICIENT ELECTRIC ENERGY GENERATION TECHNOLOGY. — (B) The rule issued pursuant to paragraph (1)(A) of this subsection shall be applicable only to facilities that seek to sell electric energy pursuant to this Act. For facilities with other purposes, except as specifically provided in subsection (m)(2)(A), qualifying facility status shall be determined in accordance with the rules and regulations established by the Commission.

(2) Notwithstanding rule revisions under paragraph (1), the Commission’s criteria for qualifying cogeneration facilities in effect prior to the date on which the Commission issues the final rule required by paragraph (1) shall continue to apply to any cogeneration facility that

(A) was a qualifying cogeneration facility on the date of enactment of subsection (m), or

(B) had filed with the Commission a notice of self-certification or application for certification under §111 of the Federal Power Act (16 U.S.C. 796(17)(C)) is amended to read as follows:

(C) qualifying small power production facility means a small power production facility that the Commission determines, by rule, meets such requirements (including requirements respecting fuel use, fuel efficiency, and reliability) as the Commission may, by rule, prescribe;

(2) QUALIFYING COGENERATION FACILITY. — Section 3(10)(B) of the Federal Power Act (16 U.S.C. 796(10)(B)) is amended to read as follows:

(B) qualifying cogeneration facility means a cogeneration facility that the Commission determines, by rule, meets such requirements (including requirements respecting minimum size, fuel use, and fuel flexibility) as the Commission may, by rule, prescribe;.

SEC. 1254. INTERCONNECTION.

(a) ADOPTION OF STANDARDS. — Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

(15) INTERCONNECTION. — Each electric utility shall make available, upon request, interconnection service to any electric consumer that the electric utility serves. For purposes of this paragraph, the term ‘interconnection service’ means service to an electric consumer under which an on-site generating facility on the consumer’s premises shall be connected to the local distribution facilities. Interconnection services shall be offered based upon the standards developed by the Institute of Electrical and Electronic Engineers: IEEE Standard 1547 for Interconnecting Distributed Resources with Electric Power Systems, as they may be amended from time to time.

In addition, agreements and procedures shall be established whereby the services are offered shall promote current best practices of interconnection for situations including but not limited to practices stipulated in model codes adopted by associations of state regulatory agencies. All such agreements and procedures shall be reasonable and not unduly discriminatory or preferential.

(b) COMPLIANCE. — (1) TIME LIMITATIONS. — Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding at the end the following:

(5) (A) Not later than one year after the enactment of this section, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall commence the consideration referred to in section 111, or set a hearing date for consideration, with respect to the standard established by paragraph (15) of section 111(d).

(B) Not later than two years after the date of the enactment of the this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall complete the consideration, and shall make the determination, referred to in section 111 with respect to each standard established by paragraph (15) of section 111(d).

(2) FAILURE TO COMPLY. — Section 112(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(c)) is amended by adding at the end the following: “In the case of the standard established by paragraph (15), the reference contained in this subsection to the date of enactment of this Act shall be deemed to be a reference to the date of enactment of paragraph (15).”.

(3) PRIOR STATE ACTIONS. — (A) IN GENERAL. — Section 112 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622) is amended by adding at the end the following:

(1) PRIOR STATE ACTIONS. — Subsections (b) and (c) of this section shall not apply to the standard established by paragraph (15) of section 111, to any electric utility in a State if, before the enactment of this subsection:

(i) the State has implemented for such utility the standard concerned (or a comparable standard);

(ii) the State regulatory authority for such State or relevant nonregulated electric utility has conducted a proceeding to consider implementation of the standard concerned (or a comparable standard) for such utility; or

(iii) the State legislature has voted on the implementation of such standard (or a comparable standard) for such utility.

(2) CROSS REFERENCE. — Section 124 of such Act (16 U.S.C. 796(10)(B)) is amended by adding the following at the end thereof: “In the case of each standard established by paragraph (15) of section 111(d), the reference contained in this subsection to the date of enactment of this Act shall be deemed to be a reference to the date of enactment of paragraph (15).”.

Subtitle F—Repeal of PUCBA

SEC. 1261. SHORT TITLE.

This subtitle may be cited as the “Public Utility Holding Company Act of 2005”.

SEC. 1262. DEFINITIONS.

For purposes of this subtitle:

(1) COMPANY.— The term “company” means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale.

(2) ASSOCIATE COMPANY. — The term “associate company” of a company means any company in the same holding company system with such company.

(3) COMMISION.— The term “Commission” means the Federal Energy Regulatory Commission.

(4) COMPANY.— The term “company” means a corporation, partnership, association, joint stock company, business trust, or any organized group of persons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing.

(5) ELECTRIC UTILITY COMPANY.— The term “electric utility company” means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale.

(6) EXEMPT WHOLESALE GENERATOR AND FOREIGN UTILITY COMPANY.— The terms “exempt wholesale generator” and “foreign utility company” have the same meanings as in sections 32 and 33 of the Federal Power Act (16 U.S.C. 792–a, 792–b, as those sections existed on the day before the effective date of this subtitle.

(7) GAS UTILITY COMPANY.— The term “gas utility company” means any company that owns or operates facilities used for the generation, transmission, or distribution of natural or manufactured gas for heat, light, or power.

(8) HOLDING COMPANY.— (A) IN GENERAL. — The term “holding company” means:

(i) any company that directly or indirectly owns, controls, or holds, with power to vote, 10
percent or more of the outstanding voting securities of a public-utility company or of a holding company of any public-utility company; and
(ii) any person, determined by the Commission, (a) in the ordinary course of business, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with 1 or more persons) such a controlling influence over the affairs of such entity to the extent that such person is subject to the obligations, duties, and liabilities imposed by this section with respect to the protection of utility customers with respect to rates to rates for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this section with respect to the protection of utility customers with respect to rates.
(17) VOTING SECURITY.—The term “voting security” means any security presently entitling the holder thereof to participate in the direction or management of the affairs of a company.

SEC. 1263. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.


SEC. 1264. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Each holding company and each associate company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of a holding company shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate, as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records of any company in a holding company system, or any affiliate thereof, as the Commission determines are relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(d) CONFIDENTIALITY.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his or her knowledge during the course of examination of books, accounts, memoranda, and other records as provided in this section, except as may be directed by the Commission or by a court of competent jurisdiction.

SEC. 1265. SEC. 1264 ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Upon the written request of a State commission having jurisdiction to regulate a public utility company in a holding company system, the holding company or any associate company or affiliate thereof, other than such public-utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail in a proceeding before the State commission;

(2) the State commission determines are relevant to costs incurred by such public-utility company; and

(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) LIMITATION.—Subsection (a) does not apply to any person that is a holding company or any person, other than the holding company, that owns or controls, directly or indirectly (either alone or pursuant to an arrangement or understanding with 1 or more persons) a controlling influence over the affairs of a public-utility company.

(c) CONFIDENTIALITY OF INFORMATION.—The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

SEC. 1266. FEDERAL ACCESS TO BOOKS AND RECORDS.


SEC. 1267. AFFILIATE TRANSACTIONS.

(a) COMMISSION AUTHORITY UNAFFECTED.—Nothing in this subtitle shall affect the authority of the Commission to require that jurisdictional rates are just and reasonable, including the ability to deny or approve the pass through of costs, the prevention of cross-subsidization, and the issuance of such rules and regulations as are necessary or appropriate for the protection of utility consumers.

(b) RECOVERY OF COSTS.—Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public-utility company, public utility, or natural gas company may recover in rates any costs of activity performed by an associate company, or any costs of goods or services acquired by such public-utility company from an associate company.

SEC. 1268. APPLICABILITY.

Except as otherwise specifically provided in this subtitle, no provision of this subtitle shall apply to, or be deemed to include—
(1) the United States; or
(2) a State or any political subdivision of a State; or
(3) any foreign governmental authority not operating in the United States; or
(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or
(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), or (3), except as acting in such a course of his or her official duties.

SEC. 1269. EFFECT ON OTHER REGULATIONS.

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect the rights of utility customers.
Federal Power Act (16 U.S.C. 825e-825q) to enforce the provisions of this subtitle.

SEC. 1271. SAVINGS PROVISIONS.

(a) In general.—Nothing in this subtitle, or other provisions of this Act, shall affect the authority of the Commission to enter into any agreement with any person, public utility or other entity, or to step in to regulate or take other action under the Federal Power Act (16 U.S.C. 824 et seq.) to prevent the operation of any rule or order entered into by an approved system operator, or to take other action under section 222 of the Federal Power Act (16 U.S.C. 822b) to prevent the operation of any rule or order entered into by an approved regional transmission organization.

SEC. 1272. IMPLEMENTATION.

(a)(1) The Commission, in making decisions under this subtitle, shall give effect to the decisions of the public utility holding company public utility holding company (as defined by the Public Utility Act of 1935 (15 U.S.C. 79 et seq.) as amended by the Public Utility Holding Company Act of 1935 (15 U.S.C. 717 et seq.).

(b) Effect on department—Nothing in this subtitle shall affect the authority of the Federal Energy Regulatory Commission to exercise its authority under the Federal Power Act (16 U.S.C. 824 et seq.) to prevent the operation of any rule or order entered into by an approved system operator, or to take other action under section 222 of the Federal Power Act (16 U.S.C. 822b) to prevent the operation of any rule or order entered into by an approved regional transmission organization.

(c) Tax Treatment—Tax treatment under section 201(g)(5) of the Federal Power Act (16 U.S.C. 824(g)(5)) is repealed.

(d) FERC Review.—In the case of non-power goods or services to the extent relevant after the effective date of this subtitle, shall be affected in any manner due to the repeal of any provision of the Federal Power Act of 1935 (15 U.S.C. 79 et seq.) shall not affect any electronic information filing requirements of this section, or continuing to engage in activities or transactions, in order to implement this subtitle (other than an expiration date or termination date) of any such authorization, whether by rule or by order.

(e) Effect on other Commission authority.—Nothing in this subtitle limits the authority of the Commission under the Federal Power Act (16 U.S.C. 78a et seq.) or the Natural Gas Act (15 U.S.C. 717 et seq.).

(f) Tax Treatment—Section 318 of the Federal Power Act (16 U.S.C. 825q) is amended by striking ‘‘1935’’ and inserting ‘‘2005’’.

SEC. 1273. CONFORMING AMENDMENTS TO THE FEDERAL POWER ACT.

(a) Conflict of Jurisdiction.—Section 214 of the Federal Power Act (16 U.S.C. 824d) is amended by striking ‘‘1935’’ and inserting ‘‘2005’’.

(b) TAx TREATMENT.—Section 214 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end the following:

‘‘(1) The Commission is directed to facilitate price transparency in markets for the sale and transmission of electric energy in interstate commerce, having due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.

‘‘(2) The Commission may prescribe such rules as the Commission determines necessary and appropriate to implement this section.

‘‘(3) The rules shall provide for the dissemination, on a timely basis, of information about the availability and prices of wholesale electric energy or transmission service to the Commission, State commissions, buyers and sellers of wholesale electric energy, users of transmission service, and the public.

‘‘(4) The Commission may—

‘‘(A) obtain the information described in paragraph (2) from any market participant; and

‘‘(B) rely on entities other than the Commission to receive and publish the information.

‘‘(c) Service Allocation.—Nothing in this section shall create a private right of action.

SEC. 1274. ELECTRICITY MARKET TRANSPARENCY.

(a) In General.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

(b) TAx TREATMENT.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

SEC. 1275. SERVICE ALLOCATION.

(a)(1) The Commission is directed to facilitate price transparency in markets for the sale and transmission of electric energy in interstate commerce, having due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.

(b) TAx TREATMENT.—Nothing in this section shall limit the authority of the Commission under this subtitle to regulate the sale of wholesale electric energy or transmission services within the area described in section 212(b)(2)(A).

SEC. 1276. CONSUMER PROTECTION.

(a) In General.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

(b) TAx TREATMENT.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

SEC. 1277. CONFORMING AMENDMENTS TO THE FEDERAL POWER ACT.

(a) Conflict of Jurisdiction.—Section 201(f) of the Federal Power Act (16 U.S.C. 824f) is amended by striking ‘‘1935’’ and inserting ‘‘2005’’.

(b) TAx TREATMENT.—Section 201(f) of the Federal Power Act (16 U.S.C. 824f) is amended by adding at the end the following:

‘‘(1) The Commission is directed to facilitate price transparency in markets for the sale and transmission of electric energy in interstate commerce, having due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.

‘‘(2) The Commission may prescribe such rules as the Commission determines necessary and appropriate to implement this section.

‘‘(3) The rules shall provide for the dissemination, on a timely basis, of information about the availability and prices of wholesale electric energy or transmission service to the Commission, State commissions, buyers and sellers of wholesale electric energy, users of transmission service, and the public.

‘‘(4) The Commission may—

‘‘(A) obtain the information described in paragraph (2) from any market participant; and

‘‘(B) rely on entities other than the Commission to receive and publish the information.

‘‘(c) Service Allocation.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

SEC. 1278. ENFORCEMENT.

(a) In General.—Nothing in this section shall create a private right of action.

(b) TAx TREATMENT.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

(c) Service Allocation.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

SEC. 1279. MARKET MANIPULATION.

(a) In General.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

(b) TAx TREATMENT.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

SEC. 1280. ELECTRICITY MARKET TRANSPARENCY.

(a) In General.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.

(b) TAx TREATMENT.—Nothing in this section shall affect the authority of the Commission or a State commission having jurisdiction over the public utility, the Commission, or a State commission having jurisdiction over a State commission having jurisdiction over the public utility, or other entity engaged in activities or transactions regulated by the Federal Energy Regulatory Commission.
the transmission of electric energy in interstate commerce.

(c) REVIEW OF COMMISSION ORDERS.—Section 313(a) of the Federal Power Act (16 U.S.C. 825i) is amended to strike ‘‘electric utility’’ after ‘‘person,’’ in the first 2 places it appears and by striking ‘‘any person unless such person’’ and inserting ‘‘any entity unless such entity’’.

(d) STATE AUTHORITY.—Section 316 of the Federal Power Act (16 U.S.C. 825o–1) is amended—

(1) in subsection (a), by striking ‘‘$5,000’’ and inserting ‘‘$1,000,000’’; and

(2) by striking ‘‘two years’’ and inserting ‘‘5 years’’;

(e) CIVIL PENALTIES.—Section 316A of the Federal Power Act (16 U.S.C. 825o–2) is amended—

(1) by striking ‘‘section 211, 212, 213, or 214’’ each place it appears and inserting ‘‘part II’’; and

(2) in subsection (b), by striking ‘‘$50,000’’ and inserting ‘‘$1,000,000’’.

SEC. 1285. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e) is amended as follows:

(1) By striking ‘‘the date 60 days after the filing of such complaint or later than 5 months after the expiration of such 60-day period’’ in the sentence beginning ‘‘and the date of the filing of such complaint or later than 5 months after the filing of such complaint’’.

(2) By striking ‘‘60 days after’’ in the third sentence and inserting ‘‘of’’.

(3) By striking ‘‘expiration of such 60-day period’’ in the third sentence and inserting ‘‘publication date’’.

(4) By striking the fifth sentence and inserting the following: ‘‘If no final decision is rendered by the conclusion of the 180-day period commencing upon initiation of a proceeding pursuant to this section, the Commission shall state the reasons why it has failed to do so and shall state its best estimate as to when it reasonably expects to make such decision.’’

SEC. 1286. REFUND AUTHORITY.

Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end the following:

‘‘(e)(1) In this subsection:

(A) The term ‘‘short-term sale’’ means an agreement for the sale of electric energy at wholesale in interstate commerce that is for a period of time of less than 6 months (excluding monthly contracts subject to automatic renewal).

(B) The term ‘‘applicable Commission rule’’ means a Commission rule applicable to sales at wholesale that provides for ratemaking purposes.

(c) If an entity described in section 201(l) voluntarily makes a short-term sale of electric energy through an organized market in which the rates for the sale are established by Commission-determined tariffs (rather than by contract) and the sale violates the terms of the tariff or applicable Commission rules in effect at the time of the sale, the entity shall be subject to the refund authority of the Commission under this section with respect to the violation.

‘‘(3) This section shall not apply to—

(A) any entity that sells in total (including affiliates of the entity) less than 8,000,000 megawatt-hours of electricity per year; or

(B) an electric cooperative.

(4)(A) The Commission shall have refund authority under subparagraph (2) with respect to a voluntary short term sale of electric energy by the Bonneville Power Administration only if the sale is at an unjust and unreasonable rate.

(B) The Commission shall not authorize a refund under subparagraph (A) only for short-term sales made by the Bonneville Power Administration at rates that are higher than the highest just and reasonable rate charged by any other entity for a short-term sale of electric energy in the same geographic market for the same, or most nearly comparable, period of time as the sale by the Bonneville Power Administration.

(C) In the case of any Federal power marketing agency or the Tennessee Valley Authority, the Commission shall not assert or exercise any regulatory authority or power under paragraph (2) other than the ordering of refunds to achieve a just and reasonable rate.

SEC. 1287. PRIVACY, TRUST, AND UNFAIR TRADE PRACTICES.

(a) PRIVACY.—The Federal Trade Commission may issue rules protecting the privacy of electric consumers, in accordance with consumer information obtained in connection with the sale or delivery of electric energy to electric consumers.

(b) SLAMMING.—The Federal Trade Commission may issue rules prohibiting the change of selection of an electric utility except with the informed consent of the electric consumer or if approved by the appropriate State regulatory authority.

(c) CRAWLING.—The Federal Trade Commission may issue rules prohibiting the sale of goods and services to an electric consumer unless expressly authorized by law or the electric consumer.

(d) RUSE MAKING.—The Federal Trade Commission shall proceed in accordance with section 553 of title 5, United States Code, when prescribing a rule under this section.

(e) STATE AUTHORITY.—The Federal Trade Commission determines that a State’s regulations provide equivalent or greater protection than the provisions of this section, such State regulations shall apply in that State in lieu of the regulations issued by the Commission under this section.

(f) DEFINITIONS.—For purposes of this section:

(1) STATE REGULATORY AUTHORITY.—The term ‘‘State regulatory authority’’ means the meaning given that term in section 3(21) of the Federal Power Act (16 U.S.C. 796(21)).

(2) ELECTRIC CONSUMER AND ELECTRIC UTILITY.—The terms ‘‘electric consumer’’ and ‘‘electric utility’’ have the meanings given those terms in section 3 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602).

SEC. 1288. AUTHORITY OF COURT TO PROHIBIT INDIVIDUALS FROM SERVING AS OFFICERS, DIRECTORS, AND EMPLOYEES OF PUBLIC COMPANIES.

Section 314 of the Federal Power Act (16 U.S.C. 825m) is amended by adding at the end the following:

‘‘(d) In any proceedings under subsection (a), the court may prohibit, conditionally or unconditionally, and permanently or for such period of time as the court determines, any individual who is engaged or has engaged in practices constituting a violation of section 221 (and related rules and regulations) from—

(1) acting as an officer or director of an electric utility; or

(2) engaging in the business of purchasing or selling—

(A) electric energy; or

(B) transmission services subject to the jurisdiction of the Commission.

SEC. 1289. MERGER REVIEW REFORM.

(a) IN GENERAL.—Section 203(a) of the Federal Power Act (16 U.S.C. 824b(a)) is amended to read as follows:

‘‘(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

(A) sell, lease, or otherwise dispose of the whole or any part of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of $10,000,000;

(B) merge or consolidate, directly or indirectly, with any such facilities or any part thereof of a value in excess of $10,000,000; and

‘‘(2)(a) that is used for interstate wholesale sales and over which the Commission has jurisdiction for ratemaking purposes.

(b) No holding company in a holding company system that includes a utility or an electric utility shall purchase, acquire, or take any security with a value in excess of $10,000,000 of, or by, any means whatsoever, directly or indirectly, any controlling interest in a transmitting utility, an electric utility company, or a holding company in a holding company system that includes a transmitting utility, or any electric utility company of a value in excess of $10,000,000 without first having secured an order of the Commission authorizing it to do so.

(c) Upon receipt of an application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

(d) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or change in control, if it finds that the proposed transaction will be consistent with the public interest.

SEC. 1290. RELIEF FOR EXTRAORDINARY VIOLATIONS.

(a) PERSONS.—For purposes of this section, the terms ‘‘authority or power’’ and ‘‘public authority or power’’ mean an authority or power under part II other than the ordering of refunds to achieve a just and reasonable rate.

(b)(1) Any entity that sells in total (including affiliates of the entity) 8,000,000 megawatt-hours of electricity per year; or

(2) any entity unless such entity

(c) To the extent that such authority or power is used for interstate wholesale sales and over which the Commission has jurisdiction for ratemaking purposes.

(2) No holding company in a holding company system that includes a utility or an electric utility shall purchase, acquire, or take any security with a value in excess of $10,000,000 of, or by, any means whatsoever, directly or indirectly, any controlling interest in a transmitting utility, an electric utility company, or a holding company in a holding company system that includes a transmitting utility, or any electric utility company of a value in excess of $10,000,000 without first having secured an order of the Commission authorizing it to do so.

(3) Upon receipt of an application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or change in control, if it finds that the proposed transaction will be consistent with the public interest.

(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions, under this section. Such rules shall identify classes of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4) and the Commission shall provide expedited review for such transactions. The Commission shall grant or deny any other application for approval of a transaction not later than 180 days after the application is filed. If the Commission does not act on such an application it shall be deemed granted unless the Commission finds, based on good cause, that further consideration is required to determine whether the procedures established in the standards of paragraph (4) and issues an order tolling the time for acting on the application for not more than 180 days, at the end of which additional period the Commission shall grant or deny the application.

(6) For purposes of this subsection, the terms ‘‘associate company’’, ‘‘holding company’’, and ‘‘holding company system’’ have the meanings given those terms in the Public Utility Holding Company Act of 1935.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect 6 months after the date of enactment of this Act.

(c) TRANSITION PROVISION.—The amendments made by subsection (a) shall not apply to any application under section 203 of the Federal Power Act (16 U.S.C. 824b) that was filed on or before the date of enactment of this Act.

SEC. 1291. RULES FOR EXTRAORDINARY VIOLATIONS.

(a) APPLICATION.—This section applies to any contract entered into the Western Intercon- nected Transmission System or any order of, or by, any entity with control over wholesale electricity that the Commission—

(1) found to have manipulated the electricity market resulting in unjust and unreasonable rates or rates based on a market value.

(2) revoked the seller’s authority to sell any electricity at market-based rates.
(b) RELIANCE.—Notwithstanding section 222 of the Federal Power Act (as added by section 1262), any provision of title 11, United States Code, or any other provision of law, in the case of a public utility described in subsection (a), the Commission shall have exclusive jurisdiction under the Federal Power Act (16 U.S.C. 791a et seq.) to determine whether a requirement to make payments for power not delivered by the seller, or any successor in interest of the seller, is not permitted under a rate schedule (or contract under such a schedule) or is otherwise unlawful on the grounds that the contract is unjust and unreasonable or contrary to the public interest.

(c) APPLICABILITY.—This section applies to any public utility on the date of enactment of this section involving a seller described in subsection (a) in which there is not a final, nonappealable order by the Commission or any other jurisdiction determining the respective rights of the seller.

Subtitle II—Definitions

SEC. 1291. DEFINITIONS.

(a) COMMISSION.—In this title, the term ‘‘Commission’’ means the Federal Energy Regulatory Commission.

(b) AMENDMENT.—Section 3 of the Federal Power Act is amended—

(1) by striking paragraphs (22) and (23) and inserting the following:

‘‘(22) ELECTRIC UTILITY.—(A) The term ‘‘electric utility’’ includes the Tennessee Valley Authority and each Federal power marketing administration.

(23) TRANSMITTING UTILITY.—The term ‘‘transmitting utility’’ means an entity or State or political subdivision of a State, an agency (including an entity described in section 201(f)) that sells electric energy.

(B) The term ‘‘electric utility’’ includes a regional transmission organization under the Federal Power Act (16 U.S.C. 824 et seq.) or that sells electric energy.

(27) RTO.—The term ‘‘Regional Transmission Organization’’ or ‘‘RTO’’ means an entity of sufficient regional scope approved by the Commission—

(A) to exercise operational or functional control of facilities used for the transmission of electric energy in interstate commerce; and

(B) to ensure nondiscriminatory access to the facilities.

(28) ISO.—The term ‘‘Independent System Operator’’ or ‘‘ISO’’ means an entity approved by the Commission—

(A) to exercise operational or functional control of facilities used for the transmission of electric energy in interstate commerce; and

(B) to ensure nondiscriminatory access to the facilities.

(29) TRANSMISSION ORGANIZATION.—The term ‘‘Transmission Organization’’ means a Regional Transmission Organization, Independent System Operator, independent transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities.’’.}

Subtitle J—Economic Dispatch

SEC. 1296. ECONOMIC DISPATCH.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

‘‘SEC. 223. JOINT BOARDS ON ECONOMIC DISPATCH.

(a) IN GENERAL.—The Commission shall convene joint boards on a regional basis pursuant to section 209 of this Act to study the issue of security constrained economic dispatch for the various market regions. The Commission shall designate the appropriate regions to be covered by each such joint board for purposes of this section.

(b) MEMBERSHIP.—The Commission shall request each State to nominate a representative for the appropriate regional joint board, and shall designate a member of the Commission to chair and participate as a member of each such board.

(c) POWERS.—The sole authority of each joint board convened under this section shall be—

(i) to consider issues related to security constrained economic dispatch and how such a mode of operating an electric energy system affects or enhances the reliability and affordability of service to customers in the region concerned and to make recommendations to the Commission regarding such issues;

(ii) REPORT TO THE CONGRESS.—Within one year after enactment of this section, the Commission shall issue a report and submit such report to the Congress regarding the recommendations of the joint boards under this section and the Commission may consolidate the recommendations of more than one such regional joint board, including any consensus recommendations for statutory or regulatory reform.’’.

TITLe XIII—ENERGY POLICY TAX INCENTIVES

SEC. 1300. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the ‘‘Energy Policy Tax Incentives Act of 2005’’.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Electricity Infrastructure

SEC. 1301. EXTENSION AND MODIFICATION OF RENEWABLE ELECTRICITY PRODUCTION CREDIT.

(a) 2-YEAR EXTENSION FOR CERTAIN FACILITIES.—Section 45(d) (relating to qualified facilities) is amended—

(1) by striking ‘‘January 1, 2006’’ each place it appears in paragraphs (1), (2), (3), (4), (5), (6), and (7) and inserting ‘‘January 1, 2008’’; and

(2) by striking ‘‘January 1, 2006’’ in paragraph (4) and inserting ‘‘January 1, 2008’’.

(b) INCREASE IN CREDIT PERIOD.—Section 45(b)(4)(B) (relating to credit period) is amended—

(1) by inserting ‘‘or clause (iii)’’ after ‘‘clause (ii)’’ in clause (i), and

(2) at the end—

(iii) TERMINATION.—Clause (i) shall not apply to any facility placed in service after the date of the enactment of this clause.’’.
(iii) turbines or other generating devices are to be added to the facility after such date to produce hydroelectric power, but only if there is not any enlargement of the diversion structure, or any arrangement of a bypass channel, or the impoundment or any withholding of any additional water from the natural stream channel.

(4) during any other facility placed in service after the date of the enactment of this paragraph and before January 1, 2008.

(C) CREDIT PER PERIOD.—In the case of a qualified facility described in subparagraph (A), the 10-year period referred to in subparagraph (a) shall be treated as beginning on the date the efficiency improvements or additions to capacity are placed in service.

(D) INDIAN COAL.—(1) PRODUCTION FACILITIES.—Subsection (a) of section 45(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(11) INDIAN COAL PRODUCTION FACILITY.—The term 'Indian coal production facility' means a facility which is in service before January 1, 2008.

(2) RESOURCE.—Subsection (c) of section 45(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(10) INDIAN COAL PRODUCTION FACILITIES.—In the case of a producer of Indian coal, the credit determined under this section (with regard to this paragraph) for any taxable year shall be increased by an amount equal to the applicable dollar amount per ton of Indian coal—(A) produced by the taxpayer at an Indian coal production facility beginning during the 7-year period beginning on January 1, 2006, and—(B) during any other facility placed in service after the date of the enactment of this paragraph and before January 1, 2008.

(3) INDIAN COAL PRODUCTION FACILITY.—Subsection (d) of section 45, as amended by this Act, is amended by adding at the end the following new paragraph:

"(11) INDIAN COAL PRODUCTION FACILITY.—The term 'Indian coal production facility' means a facility which is in service before January 1, 2008.

(4) TREATMENT AS SPECIFIED CREDIT.—The term 'Indian coal production facility' shall include a new unit placed in service on or before the date of the enactment of this Act, if such unit is placed in service in connection with a facility placed in service before January 1, 2008, and if such unit is placed in service—(A) to an unrelated person, and—(B) during any other facility placed in service after the date of the enactment of this paragraph and before January 1, 2008.

(5) IN GENERAL.—The term 'applicable dollar amount' for any taxable year beginning in a calendar year means—(1) $1.50 in the case of calendar years 2006 through 2008—(2) $2.00 in the case of calendar years beginning after 2009.

(6) INCOME ADJUSTMENT.—In the case of any calendar year after 2006, each of the dollar amounts under clause (i) shall be equal to the product of such dollar amount and the inflation adjustment factor determined under paragraph (2)(B) for the calendar year, except that such paragraph shall be applied by substituting '2005' for '1992'.

(7) APPLICATION OF RULES.—Rules similar to the rules of the subsections (b)(3) and paragraphs (1), (3), (4), and (5) of this subsection shall apply for purposes of determining the amount of such credit under this paragraph.

[D] TREATMENT AS SPECIFIED CREDIT.—The increase in the credit determined under subsection (a) by reason of this paragraph with respect to any facility shall be treated as a specified credit for purposes of section 38(c)(4)(A) during the 4-year period beginning on the later of January 1, 2006, or the date on which such facility is placed in service by the taxpayer.

(2) RESOURCE.—Subsection (c) of section 45 (relating to qualified energy resources and reified coal) as amended by this Act, is amended by adding at the end the following new paragraph:

"(9) INDIAN COAL.—The term 'Indian coal' means coal which is produced from coal reserves which, on June 14, 2005—(i) were owned by an Indian tribe, or—(ii) were held in trust by the United States for the benefit of an Indian tribe or its members.

(B) INDIAN TRIBE.—For purposes of this paragraph, the term 'Indian tribe' has the meaning given such term by section 7871(c)(3)(E)(ii)."

SEC. 1302. APPLICATION OF SECTION 45 CREDIT TO PATRONS OF CooperATIVE ORGANIZATIONS

(A) ALLOWANCE OF CREDIT.—(i) IN GENERAL.—In the case of a cooperative organization determined under subsection (a) for any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year the amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

(B) AMOUNT OF CREDIT.—(i) IN GENERAL.—In the amount of the credit determined under this subsection with respect to
any credit allowance date for a clean renewable energy bond is 25 percent of the annual credit determined with respect to such bond.

(2) ANNUAL CREDIT.—The annual credit determined with respect to any clean renewable energy bond is the product of—

(A) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(B) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

(iii) the issuer determines without regard to subsection (c) that the proceeds of such bond will be used to—

(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.

(c) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

the credit allowed under subsection (a) for any clean renewable energy bond, the proceeds of which are to be used for capital expenditures incurred by qualified borrowers for 1 or more qualified projects.

(2) BONDS. The term ‘qualified project’ means any qualified facility (as determined under section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

means a mutual or cooperative electric company described in section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

may extend such period if the qualified issuer satisfies the arbitrage requirements of section 148 with respect to the proceeds of the issue.

The term ‘qualified issuer’ means—

(A) a clean renewable energy bond lender,

(B) a cooperative or mutual electric company, or

(C) a governmental body.

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(A) a clean renewable energy bond lender,

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(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.

(c) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

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(iii) the issuer determines without regard to subsection (c) that the proceeds of such bond will be used to—

(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

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(b) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

(iii) the issuer determines without regard to subsection (c) that the proceeds of such bond will be used to—

(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

(iii) the issuer determines without regard to subsection (c) that the proceeds of such bond will be used to—

(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the sum of the regular tax liability (as determined without regard to subsection (c)) and the tax imposed by section 26(b) plus the tax imposed by section 501(c)(12) or section 1381(a)(2)(C), or a credit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.

may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

(iii) the issuer determines without regard to subsection (c) that the proceeds of such bond will be used to—

(a) the credit rate determined by the Secretary under paragraph (3) for the period during which the bond is outstanding. A similar rule shall apply in the case where the bond was issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such bond is a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding.

(b) the outstanding face amount of the bond.
entity, rules similar to the rules of section 41(a) shall apply with respect to the credit allowable under subsection (a).

(2) NO BASE ADJUSTMENT.—In the case of a bond held by a partnership or an S corporation, rules similar to the rules under section 1309E(i) shall apply.

(3) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

(5) TREATMENT FOR ESTIMATED TAX PURPOSES.—So far as credits under section 38 are taken into account by the Secretary as estimated taxes, the amount of such credit shall be taken into account by the shareholder to the extent that such shareholder is an estimated tax payer by reason of holding a clean renewable energy bond on a credit allowance date.

(6) RATA PRINCIPAL AMORTIZATION REQUIRED.—A bond shall not be treated as a clean renewable energy bond for any taxable year if a principal amount equal to a part of an issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding.

(7) REPORTING.—Each clean renewable energy bond shall submit reports similar to the reports required under section 194(e).

(m) TERMINATION.—This section shall not apply with respect to any bond issued after December 31, 2007.

(b) REPORTING.—Section 6049 and paragraphs (10) and (16) of section 6665, as added by this section, applied without regard to subsection (c), shall apply after the date of the enactment of this Act.

(c) CONFORMING AMENDMENTS.—

(1) The table of parts for part IV of chapter 1 of this title is amended by adding at the end the following new part:

"PART IV. NONREFUNDABLE CREDIT TO HOLDERS OF CERTAIN BONDS."

(2) Section 3976(c)(2) is amended by inserting "and, except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), the amount of interest held in part (A) of any issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding,

(3) Subsection (h) of section 3976 is amended to read as follows:

"(h) CREDIT TREATED AS NONREFUNDABLE BONDHOLDER CREDIT.—For purposes of this title, the credit allowed by this section shall be treated as a credit allowable under part H of part IV of chapter 1 of this title."

(4) Section 6049(k)(1) is amended by striking "and G" and inserting "G, and H."

(d) ISSUANCE OF REGULATIONS.—The Secretary of the Treasury shall issue regulations required under section 54 of the Internal Revenue Code of 1986 (as added by this section) not later than 120 days after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2005.

SEC. 1304. TREATMENT OF INCOME OF CERTAIN ELECTRIC COOPERATIVES.

(a) ELIMINATION OF SUNSET ON TREATMENT OF INCOME FROM OPEN ACCESS AND NUCLEAR DISSIPATION TRANSACTIONS.—Section 501(c)(12)(C) of the Internal Revenue Code of 1986 (as added by this section) is amended by striking the last sentence.

(b) ELIMINATION OF SUNSET ON TREATMENT OF INCOME FROM LOAD LOSS TRANSACTIONS.—Section 501(c)(12)(H) of the Internal Revenue Code of 1986 (as added by this section) is amended to require the calculation of the credit determined under section 45(b) in order to determine the amount of the credit allowed by this section.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1305. DISPOSITIONS OF TRANSMISSION PROPERTY OF NUCLEAR ENERGY COMPANIES.

SEC. 1306. CREDIT FOR PRODUCTION FROM ADVANCED NUCLEAR POWER FACILITIES.

(a) IN GENERAL.—Subpart D of part IV of chapter 1 of the tax code (relating to business credits) is amended by adding after section 45D the following new section:

"SEC. 45J. CREDIT FOR PRODUCTION FROM ADVANCED NUCLEAR POWER FACILITIES.

(a) IN GENERAL.—For purposes of section 38, the advanced nuclear power facility production credit of any taxpayer for any taxable year shall be the product of—

(1) 1.8 cents, multiplied by—

(2) the kilowatt hours of electricity produced by the taxpayer at an advanced nuclear power facility during the 8-year period beginning on the date the facility was originally placed in service, and

(b) sold by the taxpayer to an unrelated person during the taxable year,

(6) OTHER RULES TO APPLY.—The Secretary shall prescribe such regulations as are necessary or appropriate to carry out the purposes of this section, including regulations which require the reporting to the Secretary of comparable information.

(b) TECHNICAL AMENDMENT RELATED TO SECTION 909 OF THE AMERICAN JOBS CREATION ACT OF 2004.—The amendment made by section 45D of the Internal Revenue Code of 2004 (defining qualifying electric transmission transaction as used in section 45D) is amended by inserting "and" and inserting "2008."
“(A)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or
“(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer, and
“(B) with respect to which depreciation (or amortization in lieu of depreciation) is allowable.
“(2) SPECIAL RULE FOR CERTAIN SUBSIDIZED PROPERTY.—Rules similar to section 48(a)(4) shall apply to the requirements of this subsection.
“(3) CERTAIN QUALIFIED PROGRESS EXPENDITURES RULES MADE APPLICABLE.—Rules similar to the rules of subsections (c)(4) and (d) of section 46(a) in effect before the enactment of the Revenue Reconciliation Act of 1990 shall apply for purposes of this section.
“(C) DEFINITIONS.—For purposes of this section—

(1) QUALIFYING ADVANCED COAL PROJECT.—The term ‘qualifying advanced coal project’ means a project which meets the requirements of subsection (e).

(2) ADVANCED COAL-BASED GENERATION TECHNOLOGY.—The term ‘advanced coal-based generation technology’ means a technology which produces electricity by converting coal to a form acceptable to an electric utility for generation of electricity.

(3) ELIGIBLE PROPERTY.—The term ‘eligible property’ means—

(A) in the case of any qualifying advanced coal project using an integrated gasification combined cycle, any property which is a part of such project and is necessary for the gasification of coal, including any coal handling and gas separation equipment, and

(B) in the case of any other qualifying advanced generation technology, any property which is a part of such project.

(4) COAL.—The term ‘coal’ means anthracite, bituminous coal, subbituminous coal, lignite, and peat.

(5) GREENHOUSE GAS CAPTURE CAPABILITY.—The term ‘greenhouse gas capture capability’ means the capability of a coal-based generation combined cycle facility capable of adding components which can capture, separate on a long-term basis, isolate, remove, and sequester greenhouse gases which result from the generation of electricity.

(6) ELECTRIC GENERATION UNIT.—The term ‘electric generation unit’ means any facility at least 50 percent of the total annual net output of which is electrical power, including an otherwise eligible facility which is used in an industrial application.

(7) INTEGRATED GASIFICATION COMBINED CYCLE.—The term ‘integrated gasification combined cycle’ means an electric generation unit which produces electricity by converting coal to a synthesis gas which is used to fuel a combined-cycle plant which produces electricity from both a combustion turbine (including a combustion turbine/fuel cell hybrid) and a steam turbine.

(d) QUALIFYING ADVANCED COAL PROJECT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this section, the Secretary, in consultation with the Secretary of Energy, shall establish a qualifying advanced coal project program for the deployment of advanced coal-based generation technologies.

(2) CERTIFICATION.—

(A) APPLICATION PERIOD.—Each applicant for certification under this subsection shall submit an application meeting the requirements of subparagraph (B). An applicant may only submit an application during the 3-year period beginning on the date the Secretary establishes the program under paragraph (1).

(B) REQUIREMENTS FOR APPLICATIONS FOR CERTIFICATION.—An application under subparagraph (A) shall contain such information as the Secretary may require in order to make a determination to accept or reject an application for certification as meeting the requirements under subsection (c) or (d) of section 46(a), and such information contained in the application shall be protected as provided in section 552(b)(4) of title 5, United States Code.

(3) TIME TO ACT UPON APPLICATIONS FOR CERTIFICATION.—The Secretary shall issue a determination as to whether an applicant has met the requirements under subsection (e)(1) within 60 days following the submittal of the application for certification.

(4) TIME TO MEET CRITERIA FOR CERTIFICATION.—Each applicant for certification shall have 2 years from the date of the determination by the Secretary of the application during which to provide to the Secretary evidence that the criteria set forth in subsection (e)(2) have been met.

(5) PERIOD OF ISSUANCE.—An applicant which receives a certification shall have 5 years from the date of issuance of the certification in order to place in service of such project if such project is not placed in service by that time period then the certification shall no longer be valid.

(6) AGGREGATE CREDITS.—

(A) IN GENERAL.—The aggregate credits allowed under subsection (a) for projects certified by the Secretary under paragraph (2) may not exceed $1,300,000,000.

(B) PARTICULAR PROJECTS.—Of the dollar amount in subparagraph (A), the Secretary is authorized to certify—

(i) $800,000,000 for integrated gasification combined cycle projects, and

(ii) $500,000,000 for projects which use other advanced coal-based generation technologies.

(4) REVIEW AND REDISTRIBUTION.—

(A) REVIEW.—Not later than 6 years after the date of enactment of this section, the Secretary shall review the credits allocated under this section as of the date which is 6 years after the date of enactment of this section.

(B) REDISTRIBUTION.—The Secretary may reallocate credits available under subsection (a) if the Secretary determines that—

(i) there is an insufficient quantity of qualifying applications for certification pending at the time of the review, or

(ii) any certification made pursuant to subsection paragraph (2)(D) has been revoked pursuant to subsection paragraph (2)(D) because the project subject to the certification has been delayed as a result of third party opposition or litigation to the proposed project.

(C) REALLOCATION.—If the Secretary determines that credits under clause (i) or (ii) of paragraph (3)(B) are available for reallocation pursuant to the requirements set forth in paragraph (2), the Secretary is authorized to conduct an additional program for applications for certification.

(5) QUALIFYING ADVANCED COAL PROJECTS.—

(1) REQUIREMENTS.—For purposes of subsection (c)(1), a project shall be considered a qualifying advanced coal project that the Secretary may certify under subsection (d)(2) if the Secretary determines that, at a minimum—

(A) the project uses an advanced coal-based generation technology—

(i) to power a new electric generation unit, or

(ii) to retrofit or repower an existing electric generation unit (including an existing natural gas-fired combined cycle unit), or

(B) the fuel input for the project, when completed, is at least 75 percent coal.

(C) the project consists of one or more electric generation units at one site, will have a total nameplate generating capacity of at least 400 megawatts;

(D) the applicant provides evidence that a majority of the output of the project is reasonably expected to be acquired or utilized;

(E) the applicant provides evidence of ownership or control of a site at which the entire amount of coal used or expected to be used is located and allow the proposed project to be constructed and to operate on a long-term basis; and

(F) the project will be located in the United States.

(2) REQUIREMENTS FOR CERTIFICATION.—For the purpose of subsection (d)(2)(D), a project shall be eligible for certification only if the Secretary determines that—

(A) the applicant for certification has received all Federal and State environmental authorizations or reviews necessary to commence construction of the project, and

(B) the applicant for certification, except in the case of a retrofit or repower of an existing electric generation unit, has purchased or entered into a binding contract for the purchase of the main steam turbine or turbines for the project, except that such contract may be contingent upon receipt of a certification under subsection (d)(2).

(2) PRIORITY FOR INTEGRATED GASIFICATION COMBINED CYCLE PROJECTS.—In determining which qualifying advanced coal projects to certify under subsection (d)(2), the Secretary shall—

(A) certify capacity, in accordance with the procedures set forth in subsection (d), in relatively equal amounts to—

(i) projects using bituminous coal as a primary feedstock,

(ii) projects using subbituminous coal as a primary feedstock, and

(iii) projects using lignite as a primary feedstock;

(B) give high priority to projects which include, as determined by the Secretary—

(i) greenhouse gas capture capability,

(ii) increased by-product utilization, and

(iii) other benefits.

(7) ADVANCED COAL-BASED GENERATION TECHNOLOGY.—

(1) IN GENERAL.—For the purpose of this section, an electric generation unit uses advanced coal-based generation technology if—

(A) the unit—

(i) uses integrated gasification combined cycle technology, or

(ii) except as provided in paragraph (3), has a design net heat rate of 8530 Btu/kWh (40 percent efficiency), and

(B) the unit is designed to meet the performance requirements in the following table:

<table>
<thead>
<tr>
<th>Performance characteristic</th>
<th>Design level for project</th>
</tr>
</thead>
<tbody>
<tr>
<td>SO₂ (percent removal)</td>
<td>99 percent</td>
</tr>
<tr>
<td>NOₓ (emissions)</td>
<td>0.07 lbs/MMBtu</td>
</tr>
<tr>
<td>PM* (emissions)</td>
<td>0.015 lbs/MMBtu</td>
</tr>
<tr>
<td>Hg (percent removal)</td>
<td>90 percent</td>
</tr>
</tbody>
</table>

(D) be corrected for the site reference conditions; and

(C) be adjusted for the heat content of the design coal to be used by the unit—

(i) if the heat content is less than 11,500 Btu per pound, but greater than 7,000 Btu per pound, according to the following formula: design net heat rate = unit net heat rate x [1 - ((13,500-design coal heat content, Btu per pound)/1,000)* 0.013)], and

(ii) if the heat content is less than or equal to 7,000 Btu per pound, according to the following formula: design net heat rate = unit net heat rate x [1 - ((13,500-design coal heat content, Btu per pound)/1,000)* 0.018)], and

(D) be corrected for the site reference conditions of—

(i) elevation above sea level of 500 feet,

(ii) air pressure of 14.4 pounds per square inch absolute,

(iii) temperature, dry bulb of 63°F,
“(iv) temperature, wet bulb of 54°F, and
“(v) relative humidity of 55 percent.
“(3) EXISTING UNITS.—In the case of any electric generation unit in existence on the date of the enactment of this section, such unit uses advanced coal-based generation technology if, in lieu of the requirements under paragraph (1)(A)(ii), such unit achieves a minimum efficiency greater than or equal to the overall thermal design efficiency improvement, compared to the efficiency of the unit as operated, of not less than—
“(A) 7 percentage points for coal of more than 9,000 Btu,
“(B) 6 percentage points for coal of 7,000 to 9,000 Btu,
“(C) 4 percentage points for coal of less than 7,000 Btu.
“(g) APPLICABILITY.—No use of technology (or level of emission reduction solely by reason of the use of the technology), and no achievement of any emission reduction by the demonstration of any technology or performance level, by or at one or more facilities with respect to which a credit is allowed under this section, shall be considered to indicate that the technology or performance level is—
“(1) adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411);
“(2) achievable for purposes of section 169 of that Act (42 U.S.C. 7479); or
“(3) achievable in practice for purposes of section 117 of such Act (42 U.S.C. 7501).

SEC. 408. QUALIFYING GASIFICATION PROJECT CREDIT.
“(a) IN GENERAL.—For purposes of section 46, the qualifying gasification project credit for any taxable year is an amount equal to 20 percent of the qualified investment for such taxable year.
“(b) QUALIFIED INVESTMENT.—
“(1) IN GENERAL.—For purposes of subsection (a), the qualified investment for any taxable year is the basis of eligible property placed in service by the taxpayer during such taxable year which is a part of a qualifying gasification project.

SEC. 40B. QUALIFYING GASIFICATION PROJECT CREDIT.
“(a) IN GENERAL.—For purposes of section 46, the qualifying gasification project credit for any taxable year is an amount equal to 20 percent of the qualified investment for such taxable year.
“(b) QUALIFIED INVESTMENT.—
“(1) IN GENERAL.—For purposes of subsection (a), the qualified investment for any taxable year is the basis of eligible property placed in service by the taxpayer during such taxable year which is a part of a qualifying gasification project.

SEC. 1309. EXPANSION OF AMORTIZATION FOR CERTAIN ATMOSPHERIC POLLUTION CONTROL FACILITIES IN CONNEC- 
TION WITH PLANTS FIRST PLACED IN SERVICE AFTER APRIL 1, 1976.
“(a) ELIGIBILITY OF POST-1975 POLLUTION CONTROL FACILITIES.—Subsection (d) of section 169 (relating to definitions) is amended by adding at the end the following new clause:

“(5) SPECIAL RULE RELATING TO CERTAIN ATMOSPHERIC POLLUTION CONTROL FACILITIES.—In the case of any atmospheric pollution control facility which is placed in service after April 1, 2005, and used in connection with an electric generation plant or other property which is primarily coal fired:

“(A) paragraph (1) shall be applied without regard to the phrase ‘in operation before January 1, 1976,’ and

“(B) this section shall be applied by substituting ‘84’ for ‘90’ each place it appears in subsections (a) and (b).”
(b) Treatment as New Identifiable Treatment Facility.—Subparagraph (B) of section 168(d)(4) is amended to read as follows:

(2) Certain facilities placed in operation after April 11, 2005.—In the case of any facility described in paragraph (1) solely by reason of paragraph (5), subparagraph (A) shall be applied by substituting “April 11, 2005” for “December 31, 2004” in each reference thereto.

(c) Conforming Amendment.—The heading for section 169(d) is amended by inserting “and” after the term “amount already elected for” in the case of any facility described in paragraph (1) solely by reason of paragraph (5), subparagraph (A) shall be applied by substituting “April 11, 2005” for “December 31, 2004” in each reference thereto.

(d) Technical Amendment.—Section 169(d)(3) is amended by striking “Health, Education, and Welfare” and inserting “Health and Human Services”.

(e) Effective Date.—The amendments made by this section shall apply to facilities placed in service after April 11, 2005.

SEC. 110. MODIFICATIONS TO SPECIAL RULES FOR NUCLEAR DECOMMISSIONING COSTS.

(a) Repeal of Limitation on Deposits into Fund Based on Cost of Service; Contributions After Funding Period.—Subsection (b) of section 469A (relating to special rules for nuclear decommissioning costs) is amended to read as follows:

(b) Limitation on Amounts Paid Into Fund.—The amount which a taxpayer may pay into the Fund for any taxable year shall not exceed the ruling amount applicable to such taxable year.

(b) Treatment of Certain Decommissioning Costs.

(1) In General.—Section 468A is amended by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

(f) Transfers into Qualified Funds.—(I) Transfers into Qualified Funds.—(I) Transfers into Qualified Funds.—(I) Transfers into Qualified Funds.—(I) Transfers into Qualified Funds.—

(2) Treatment of Certain Decommissioning Costs.

SEC. 111. 5-YEAR NET OPERATING LOSS CARRYBACK FOR CERTAIN LOSSES.

(a) In General.—Section 172(b) (relating to net operating loss carrybacks and carryovers) is amended by adding at the end the following new subparagraph:

(6) For purposes of applying this section, a transfer described in paragraph (1), the amount of the deduction shall not exceed the adjusted basis of such property.

(3) New Ruling Amount Required.—Paragraph (1) of section 469A(d) (relating to request required) is amended by inserting “and before the date the request is filed” after “the date the request is filed”.

(4) No Ruling in Qualified Funds.—Notwithstanding any other provision of law, the taxpayer’s basis in any Fund to which this section applies shall not be increased by reason of any transfer permitted by this subsection.

(5) New Ruling Amount Required Upon License Renewal.—(I) paragraph (1) of section 469A(d) (relating to request required) is amended by adding at the end the following new sentence:

(A) fund the total nuclear decommissioning costs with respect to such power plant over the estimated useful life of such power plant, and

(B) new ruling amount required upon license renewal.—(I) paragraph (1) of section 469A(d) (relating to request required) is amended by adding at the end the following new sentence:

(II) only if more than one election may be made by the taxpayer in the transmission at 69 or more kilovolts of electricity for sale. Such term shall not include any expenditure which may be refunded or the purpose of which may be modified at the option of the taxpayer so as to cease to be treated as an expenditure within the meaning of such term.

(II) Pollution control facility capital expenditures.—The term “pollution control facility capital expenditures” means any expenditure, chargeable to capital account, made by an electric utility company to construct a facility which will qualify as a certified pollution control facility as determined under section 169(d)(1) by striking “before January 1, 1976,” and by substituting “or before January 1, 2005”.

Subtitle B—Domestic Fuel Security

SEC. 1321. EXTENSION OF CREDIT FOR PRODUCING FACILITIES TO PRODUCE NONCONVENTIONAL SOURCES FOR FACILITIES PRODUCING COKE OR COKE GAS.

(a) In General.—Section 29 (relating to credit for producing fuel from a nonconventional source) is amended by adding at the end the following new subsection:

(b) Extension for Facilities Producing Coke or Coke Gas.—Notwithstanding subsection (f)...

(II) In General.—In the case of a facility for producing coke or coke gas in service before January 1, 1993, or after June 30, 1998, and before January 1, 2010, this section shall apply with respect to coke and coke gas produced in such facility and sold during the period beginning on the later of January 1, 2006, or the date that such facility is placed in service, and

(III) Coordination with Ordering Rule.—For purposes of applying subsection (b)(2), the portion of any loss which is carried back 5 years by reason of clause (i) shall be treated in a manner similar to the manner in which a specified liability loss is treated.

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(III) Coordination with Ordering Rule.—For purposes of applying subsection (b)(2), the portion of any loss which is carried back 5 years by reason of clause (i) shall be treated in a manner similar to the manner in which a specified liability loss is treated.
(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuel produced and sold after December 31, 2005, in taxable years ending after such date.

SEC. 1232. MODIFICATION OF CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.

(a) TREATMENT OF CREDIT.—

(1) CREDIT MOVED TO SUBPART RELATING TO BUSINESS RELATED CREDITS.—The Internal Revenue Code of 1986 is amended by redesignating section 45(k) as section 45(g), and by moving section 45K (as so redesignated) from subpart B of part IV of subchapter A of chapter 1 to the end of subpart D of part IV of subchapter A of chapter 1.

(2) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(h), as amended by this Act, is amended by striking “plus” at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting “plus”, and, by adding at the end the following:

“(ii) the nonconventional source production credit determined under section 45K(a),”.

(c) CONFORMING AMENDMENTS.—

(A) Section 30(b)(3)(A) is amended by striking “section 45(k)” and inserting “section 45(g)”.

(B) Sections 43(c)(2), 45(c)(2)(C)(i), and 631A(c)(6)(C) are each amended by striking “section 45(d)(2)” and inserting “section 45(g)(2)”.

(C) Section 45(e)(8), as added by this Act, is amended—

(i) by striking “section 29” each place it appears and inserting “section 45K”, and

(ii) by inserting “or under section 29, as in effect on the day before the date of enactment of the Energy Tax Incentives Act of 2005, for any prior taxable year)” before the period at the end thereof.

(D) Section 45I is amended—

(i) in subsection (c)(2)(A) by striking “section 29(d)(4)”), and

(ii) in subsection (d)(3) by striking “section 29” both places it appears and inserting “section 45K”.

(E) Section 45(k)A, as redesignated by paragraph (1), is amended by striking “There shall be allowed as a credit against the tax imposed by this chapter for the taxable year” and inserting “For purposes of section 38, if the taxpayer elects to apply this section to property placed in service after the enactment of this Act, any cost so treated shall be treated as an item of property under this section for the taxable year in which the qualified refinery property is placed in service.”

(F) Section 45(j) is amended by striking paragraph (6).

(G) Section 53(d)(1)(B) is amended by striking “under section 29” and all that follows through “eligible for credit thereof.”

(H) Section 55(c) is amended by striking “section 29(b)(6),”.

(i) Subsection (a) of section 772 is amended by inserting “and” at the end of paragraph (9), by striking paragraph (10), and by redesignating paragraph (11) as paragraph (10).

(j) Paragraph (3) of section 772(d) is amended by striking “the foreign tax credit, and the credits allowable under section 29” and inserting “and the foreign tax credit.”

(k) The tables of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45I the following new item:

“Sec. 45K. Credit for producing fuel from a nonconventional source.”

(b) AMENDMENTS TO SECTION 45G.—

(1) IN GENERAL.—Section 29(c)(2)(A) (before redesignation under subsection (a) and as amended by section 1232) is amended—

(A) by inserting “(as in effect before the repeal of such section)” after “1978,” and

(B) by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively.

(2) CONFORMING AMENDMENTS.—Section 29(g)(1)(A), before redesignation under subsection (a) and as amended by section 1232, is amended—

(A) in subparagraph (A) by striking “subsection (f)(1)(B)” and inserting “subsection (e)(1)(B)”; and

(B) in subparagraph (B) by striking “subsection (f)” and inserting “subsection (e)”.}

(c) EFFECTIVE DATES.—The requirements of this subsection are met if the portion of the qualified refinery—

(1) enables the existing qualified refinery to increase the total volume of PETG (as defined in section 45K(c)) at a rate which is equal to or greater than 25 percent of the total throughout of such qualified refinery on an average daily basis, or

(2) enables the existing qualified refinery to produce qualified fuels (as defined in section 45K(c)) at a rate which is equal to or greater than 25 percent of the total throughout of such qualified refinery on an average daily basis.

SEC. 1233. TEMPORARY EXPENSING FOR EQUIPMENT USED IN REFINING OF LIQUID FUELS.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179B the following new section:

“SEC. 179C. ELECTION TO EXPENSE CERTAIN REFINERIES.

“(a) TREATMENT AS EXPENSE.—A taxpayer may elect to treat percent of the cost of any qualified refinery property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a credit against the tax imposed for the taxable year in which the qualified refinery property is placed in service.

“(b) ELECTION.—

“(1) IN GENERAL.—An election under this section for any taxable year shall be made on the taxpayer’s return of the tax imposed by this chapter for the taxable year. Such election shall be made in such manner as the Secretary may by regulations prescribe.

“(2) DISALLOWANCE OF ELECTRIQUE EXPENSE.—Any election made under this section shall be revoked unless it is permitted by the election of the Secretary.

“IN QUALIFIED REFINERY PROPERTY.—

“(1) IN GENERAL.—The term ‘qualified refinery property’ means any portion of a qualified refinery—

“(A) the original use of which commences with the taxpayer,

“(B) which is placed in service in the tax year the taxpayer otherwise would be required to place the situs of the property in service in such tax year, and

“(C) which such property is used under the leaseback arrangement after the date such property is placed in service, or

“(D) which such property is used under a leaseback arrangement after the date such property is disposed of, but only if the proceeds from such disposition are not includible in gross income of the taxpayer and are not chargeable to capital account.

“(2) ELECTION IRREVOCABLE.—Any election made under this section shall be revoked unless it is permitted by the election of the Secretary.

“NO WAIVER.—The Secretary may by regulations prescribe.

“(2) FORM AND EFFECT OF ELECTION.—An election under paragraph (1) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

“(3) WRITTEN NOTICE TO OWNERS.—If any portion of the deduction available under subsection (a) is allocated to owners under paragraph (1), the cooperative shall provide any owner receiving an allocation written notice of the amount of the allocation. Such notice shall be provided before the due date on which the return described in paragraph (2) is due.

“(b) REPORTING.—No deduction shall be allowed under subsection (a) to any taxpayer for any taxable year unless such taxpayer files with the Secretary a report containing such information with respect to the operation of the refineries of the taxpayer as the Secretary shall require.”

(b) CONFORMING AMENDMENTS.—

(1) Section 1242(a) is amended by inserting “179C,” after “179B,” both places it appears in paragraphs (2)(C) and (3)(A).

(2) Section 263(a)(1) is amended by striking “or” at the end of subparagraph (H), by striking the period at the end of subparagraph (I) and inserting “or”, and by inserting after subparagraph (I) the following new subparagraph:

“(J) expenditures for which a deduction is allowed under section 179C;”

(3) Section 312(k)(1)(A) is amended by striking “179A, or” each place it appears in the heading and text and inserting “179A, 179B, or”.

(4) The tables of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179B the following new item:

“Sec. 179C. Election to expense certain refineries.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to properties placed any refinery located in the United States which is designed to serve the primary purpose of processing liquid fuel from crude oil or qualified fuels (as defined in section 45K(c)).
in service after the date of the enactment of this Act.

SEC. 1323. PASS THROUGH TO OWNERS OF DE- DUCTIBLE CAPITAL COSTS INCURRED BY SMALL REFINER CO-OERATIVES IN COMPLYING WITH ENVIRONMENTAL PROTECTION AGENCY SULFUR REGULATIONS.

(a) IN GENERAL.—Section 179B (relating to de- duction for capital costs incurred in complying with regulations of the Environmental Protection Agency) is amended by adding at the end the following new subsection:

(f) ELECTIVE ALLOCATION TO CO-OPERATIVE OWNERS.—

“(1) IN GENERAL.—If—

“(A) a small business refiner to which sub- section (b) applies, and

“(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead or a common point to the point at which such gas first reaches a processing plant,

“(ii) a gas processing plant,

“(iii) an interconnection with a transmission pipeline for which a certificate as an interstate transmission pipeline has been issued by the Federal Energy Regulatory Commission,

“(iv) an interconnection with an intrastate transmission pipeline, or

“(v) a direct interconnection with a local dis- tribution company, a gas storage facility, or an industrial consumer.

Such allocation shall be equal to the person’s ratable share of the total amount allocated, determined on the basis of the per- son’s ownership interest in the refiner, and is subject to such conditions as the Secretary shall prescribe.

(b) EFFECTIVE DATE.

The amendments made by subsection (a) shall apply to the taxable year beginning after the date of the enactment of this Act.

SEC. 1325. NATURAL GAS DISTRIBUTION LINES TREATED AS 15-YEAR PROPERTY.

(a) IN GENERAL.—Section 168(e)(3)(E) (defin- ing 15-year property, as amended by this Act, is amended by striking “and” at the end of clause (vi) and inserting “or” in its place.

“...(vi) any natural gas distribution line the original use of which commences with the tax- able use of which commences with the tax- able amount to which the preceding sentence applies.

“(vii) any natural gas distribution line the origi- nal use of which commences with the tax- able amount to which the preceding sentence applies.

“(viii) any natural gas distribution line the origi- nal use of which commences with the tax- able amount to which the preceding sentence applies.

“(b) ALTERNATIVE SYSTEM.—The table con- tained in section 168(g)(3)(B) (relating to special rule for certain property assigned to classes), as amended by this Act, is amended by inserting after the item relating to subparagraph (C)(iii) the following new item:

“(C)(v) 14 YEAR PROPERTY.

(d) ALTERNATIVE MINIMUM TAX EXCEPTION.

Subparagraph (B) of section 56(a)(1) is amended by inserting before the period the following: ‘‘, or in section 168(g)(3)(iv),’’

(e) EFFECTIVE DATE.

(1) IN GENERAL.—The amendments made by this section shall apply to property placed in service after April 11, 2005.

(2) EXCEPTION.—The amendments made by this section shall not apply to any property with respect to which a related party has entered into a binding contract for the construction thereof on or before April 11, 2005.

SEC. 1327. ARBITRATION RULES NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS.

(a) IN GENERAL.—Subsection (b) of section 148 (relating to higher yielding investments) is amended by adding at the end the following new paragraph:

“(b) SAFE HARBOR FOR PREPAID NATURAL GAS.—

“(A) IN GENERAL.—The term ‘investment-type property’ does not include a prepayment under a qualified natural gas supply contract.

“(B) QUALIFIED NATURAL GAS SUPPLY CONTRACT.—For purposes of this subparagraph, the term ‘qualified natural gas supply contract’ means any contract to acquire natural gas for resale by a utility owned by a governmental unit if the amount of gas permitted to be ac- quired under the contract by the utility during any year does not exceed the sum of—

“(i) the amount of natural gas purchased (other than for resale) by customers of such utility who are located within the service area of such utility, and

“(ii) the amount of natural gas used to trans- port the prepaid natural gas to the utility.

“(C) TESTING PERIOD.—For purposes of this paragraph, the term ‘testing period’ means, with respect to an issue, the most recent 5 calendar years ending before the date of issuance of the issue.

“(D) SERVICE AREA.—For purposes of this paragraph, the service area of a utility owned by a governmental unit shall be comprised of—

“(i) any area within which any such utility provided at all times during the testing period—

“(A) the service area of a utility under State or Federal law, and

“(B) the service area of a utility under State or Federal law, and

“(ii) any area served by another utility providing natural gas or electricity services, as the case may be, and

“(iii) any area served by another utility providing natural gas or electricity services, as the case may be, and

“(E) RULELLING REQUESTS.—The Secretary may increase the average under subparagraph (B)(ii) for any period if the utility owned by the governmental unit establishes to the satisfaction of the Secretary that, based on objective evidence of growth in natural gas consumption or popu- lation, such average would otherwise be insuffi- cient for such period.

“(F) ALTERNATIVE SCHEDULE.—For purposes of this paragraph, the term ‘alternative schedule’ means—

“(ii) the amount of natural gas used to trans- port the prepaid natural gas to the utility.

“(H) TESTING PERIOD.—For purposes of this paragraph, the term ‘testing period’ means, with respect to an issue, the most recent 5 calendar years ending before the date of issuance of the issue.

“(I) SERVICE AREA.—For purposes of this paragraph, the service area of a utility owned by a governmental unit shall be comprised of—

“(ii) any area within which any such utility provided at all times during the testing period—

“(B) the service area of a utility under State or Federal law, and

“(iii) any area served by another utility providing natural gas or electricity services, as the case may be, and

“(iv) any area served by another utility providing natural gas or electricity services, as the case may be, and

“(J) PRIVATE LOAN FINANCING TEST NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS.—

Subparagraph (A) of section 111(e) (providing excep- tion for the private loan test) is amended by striking ‘or’ at the end of subpara- graph (A), by striking the period at the end of
Subparagraph (B) and inserting ‘‘, or’’, and by adding at the end the following new subparagraph: 

(c) a qualified natural gas supply contract (as described in section 168(h)(4));’’.

‘‘(C) is a qualified natural gas supply contract—The term ‘nongovernmental output property’ shall not include any contract for the prepayment of electricity or natural gas which is not investment property under section 168(h)(2).’’. 

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 1329. DETERMINATION OF SMALL REFINNER EXCLUSION TO OIL DEPLETION DEDUCTION.

(a) IN GENERAL.—Paragraph (4) of section 613(a)(2) (relating to limitations on application of subsection (b) and by inserting ‘‘, or,’’ and by adding at the end the following new subparagraph:

‘‘(C) is a qualified natural gas supply contract (as described in section 168(h)(4));’’. 

‘‘(C) is a qualified natural gas supply contract—The term ‘nongovernmental output property’ shall not include any contract for the prepayment of electricity or natural gas which is not investment property under section 168(h)(2).’’. 

(b) CONFORMING AMENDMENT.—Section 144(d) is amended by adding at the end the following new paragraph:

‘‘(B) the square footage of the building, over which 50 percent or more of the deductions under subsection (a) with respect to the building for all prior taxable years. ’’ 

(c) DEFINITIONS.—For purposes of this section—

‘‘(1) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.—The term ‘energy efficient commercial building property’ means property—’’

‘‘(A) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, ‘‘(B) which is installed on or in any building which is—’’

‘‘(i) located in the United States, and ‘‘(ii) within the scope of Standard 90.1—2001, ‘‘(C) which is installed as part of—‘‘(i) the interior lighting systems, ‘‘(ii) the heating, cooling, ventilation, and hot water systems, ‘‘(iii) the building envelope, and ‘‘(D) which is certified in accordance with subparagraphs (A) and (B) with respect to lighting systems of any building other than a public building, or a lighting system installed as part of a plan designed to reduce the total annual energy and power costs with respect to the interior lighting systems, heating, cooling, ventilation, and hot water systems of any building, by 50 percent or more in comparison to a reference building which meets the minimum requirements of Standard 90.1—2001. ’’ 

(d) SPECIAL RULES.—

‘‘(1) PARTIAL ALLOWANCE.—‘‘(A) IN GENERAL.—Except as provided in subsection (f),—‘‘(i) the requirement of subsection (c)(1)(D) is not met, but—‘‘(ii) there is a certification in accordance with paragraph (3)(B) that the system being installed as part of a plan designed to reduce the total annual energy and power costs with respect to the interior lighting systems, heating, cooling, ventilation, and hot water systems of any building, by 50 percent or more in comparison to a reference building which meets the minimum requirements of Standard 90.1—2001. ’’

‘‘(B) REGULATIONS.—The Secretary, after consultation with the Secretary of Energy, shall promulgate regulations which describe in detail methods for calculating and verifying energy and power consumption and costs, based on the procedures described in the 2003 Energy Star Nonresidential Alternative Calculation Method Approval Manual and the 2001 California Nonresidential Alternative Calculation Method Approval Manual.

‘‘(3) COMPUTER SOFTWARE.—’’

‘‘(A) In general.—(i) Valuation calculation under paragraph (2) shall be prepared by qualified computer software.

(b) QUALIFIED COMPUTER SOFTWARE.—For purposes of this paragraph, the term ‘qualified computer software’ means software—

‘‘(i) for which the software designer has certification from the software designer and detailed methods for calculating energy and power consumption and costs as required by the Secretary,

‘‘(ii) which provides such forms as required to be filed by the Secretary in connection with energy efficiency of property and the deduction allowed under this section, and

‘‘(iii) the computer software form which documents the energy efficiency features of the building and its projected annual energy costs. ’’

(c) NOTICE TO OWNER.—Each certification required under this section shall include an explanation to the building owner regarding the energy efficiency features of the building and its projected annual energy costs as provided in the notice under paragraph (2)(B)(ii). 

(d) CERTIFICATION.—

‘‘(A) IN GENERAL.—The Secretary shall prescribe the manner and method for the making of certifications under this section.

‘‘(B) PROCEDURES.—The Secretary shall include as part of the certification process procedures for inspection and testing by qualified individuals described in subparagraph (C) to ensure compliance of buildings with energy-savings plans and targets. Such procedures shall be comparable, given the definition below commercial building property, to the requirements in the Mortgage Industry National Accreditation Procedures for Home Energy Rating System.

‘‘(C) QUALIFIED INDIVIDUALS.—Individuals qualified to determine compliance shall be only those individuals who are recognized by an organization certified by the Secretary for such purposes.

(e) BASIS REDUCTION.—For purposes of this subtitle, if a deduction is allowed under this section with respect to any commercial building property, the basis of such property shall be reduced by the amount of the deduction so allowed.

(f) INTERIM RULES FOR LIGHTING SYSTEMS.—Until such time as the Secretary issues final regulations under subsection (d)(1)(B) with respect to property which is part of a lighting system—

‘‘(1) IN GENERAL.—The lighting system target under subsection (d)(1)(A)(ii) shall be a reduction in lighting power density of 25 percent (50 percent in the case of a warehouse) of the minimum requirements in Table 9.1.1.1 or Table 9.1.1.2 (not including additional interior lighting power allowances) of Standard 90.1—2001.

‘‘(2) REDUCTION IN DEDUCTION IF REDUCTION LESS THAN 50 PERCENT.—’’

‘‘(A) IN GENERAL.—If, with respect to the lighting system of any building other than a warehouse, the reduction in lighting power density of the lighting system is not at least 40 percent, only the applicable percentage of the amount of deduction otherwise allowable under this section with respect to such property shall be allowed.

‘‘(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be equal to 50 plus the excess of the required lighting power density of the lighting system over 25 percentage points bears to 15.
“(C) EXCEPTIONS.—This subsection shall not apply to any system—

“(i) the controls and circuitry of which do not comply fully with the mandatory and prescriptive requirements of Standards 90.1-2001 and which do not include provision for bilevel switching in all occupancies except hotel and motel guest rooms, store rooms, restaurants, and public lobbies, or


“(g) REGULATIONS.—The Secretary shall promulgate such regulations as necessary

“(1) to incorporate by reference new technologies regarding energy efficiency and renewable energy for purposes of determining energy efficiency and savings under this section, and

“(2) to provide for a recapture of the deduction allowed under this section if the plan described in subsection (c) or (d) is not fully implemented.

“(h) TERMINATION.—This section shall not apply with respect to property placed in service after December 31, 2007.

“(i) EFFECTIVE DATE.—(1) Section 1016(a) is amended by striking “and” at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting “; or” and by adding at the end of paragraph (31) the following new paragraph:

“(32) to the extent provided in section 179D(c).

“(2) Section 1245(a), as amended by this Act, is amended by inserting “179D,” after “179C,” both places it appears in paragraphs (2)(C) and (3)(C).

“(3) Section 1250(b)(3) is amended by inserting before the period at the end of the first sentence “or section 179D.”

“(4) Section 263(a), as amended by this Act, is amended by inserting “or” at the end of subparagraph (1), by striking the period at the end of subparagraph (1) and inserting “, or”, and by inserting after subparagraph (1) the following new subparagraph:

“(K) expenditures for which a deduction is allowed under section 179D”.

“(5) Section 312(k)(3)(B), as amended by this Act, is amended by striking “179, 179A, 179B, or 179C” each place it appears in the heading and text and inserting “179, 179A, 179B, 179C, or 179D”.

“(c) CLERICAL AMENDMENT.—The table of sections for part VI of chapter B of chapter 1, as amended by this Act, is amended by inserting after section 179C the following new item:

“Sec. 179D. Energy efficient, commercial building expenditures deduction.

“(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005.

“SEC. 1332. CREDIT FOR CONSTRUCTION OF NEW ENERGY EFFICIENT HOMES.

“(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business unrelated credits), as amended by this Act, is amended by adding at the end the following new section:

“SEC. 45L. NEW ENERGY EFFICIENT HOME CREDIT.

“(a) ALLOWANCE OF CREDIT.—

“(1) IN GENERAL.—For purposes of section 38, in the case of an eligible contractor, the new energy efficient home credit for the taxable year is the applicable amount for each qualified new energy efficient home which is—

“(A) constructed by the eligible contractor, and

“(B) acquired by a person from such eligible contractor for use as a residence during the taxable year.

“(2) APPLICABLE AMOUNT.—For purposes of paragraph (1), the applicable amount is an amount equal to—

“(A) in the case of a dwelling unit described in paragraph (1) or (2) of subsection (c), $2,000, and

“(B) in the case of a dwelling unit described in paragraph (31) of subsection (c), $1,000.

“(b) DEFINITIONS.—For purposes of this section—

“(1) ELIGIBLE CONTRACTOR.—The term ‘eligible contractor’ means—

“(A) the person who constructed the qualified new energy efficient home, or

“(B) in the case of a dwelling unit described in paragraph (31) of subsection (c), the manufactured home producer of such home.

“(2) QUALIFIED NEW ENERGY EFFICIENT HOME.—The term ‘qualified new energy efficient home’ means a dwelling unit—

“(A) located in the United States,

“(B) the construction of which is substantially complete before the date of the enactment of this section, and

“(C) which meets the energy saving requirements of subsection (c).

“(3) CONSTRUCTION.—The term ‘construction’ includes substantial reconstruction and rehabilitation.

“(4) ACQUIRE.—The term ‘acquire’ includes purchase.

“(5) ENERGY SAVING REQUIREMENTS.—A dwelling unit meets the energy saving requirements of this section if such unit is—

“(i) certified—

“(A) to have a level of annual heating and cooling energy consumption which is at least 50 percent (or such lesser percentage as determined by the Secretary of Energy by regulation) of an annual heating and cooling energy consumption of a comparable dwelling unit—

“(B) which is constructed in accordance with the standards of chapter 4 of the 2003 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of this section,

“(ii) for which the heating and cooling equipment efficiencies correspond to the minimum allowed under the regulations established by the Secretary of Energy pursuant to section 1333, as amended by this Act, at the time of completion of construction, and

“(B) have building envelope component improvements account for at least ½ of such percentage,

“(ii) a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 2801 of title 24, Code of Federal Regulations) and which meets the requirements of paragraph (1), or

“(iii) a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 2801 of title 24, Code of Federal Regulations) and which—

“(A) meets the requirements established by the Administrator of the Environmental Protection Agency under the Energy Star Labeled Homes program;

“(B) meets the requirements of subparagraph (A) applied by substituting ‘60 percent’ for ‘50 percent’ both places it appears therein and by substituting ‘50 percent’ for ‘40 percent’ in subparagraph (B) thereof;

“(c) CLERICAL AMENDMENT.—The table of sections for part VI of chapter B of chapter 1, as amended by this Act, is amended by adding after section 179C the following new section:

“Sec. 179D. Energy efficient, commercial building expenditures deduction.

“(d) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified new energy efficient homes acquired after December 31, 2005.

“SEC. 1333. CREDIT FOR CERTAIN NONBUSINESS ENERGY PROPERTY.

“(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to business unrelated credits), as amended by this Act, is amended by inserting “or” at the end of the following new section:

“SEC. 45L. NEW ENERGY EFFICIENT HOME CREDIT.

“(b) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

“(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

“(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

“(c) LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years.

“(d) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years.

“(e) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The credit allowed under this section by reason of subsection (a)(2) shall not exceed—

“*END*
("A") $90 for any advanced main air circulating fan.

"(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

"(C) Subject to any item of energy-efficient building property.

"(D) QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS—This section—

"(1) IN GENERAL.—The term 'qualified energy efficiency improvements' means any energy efficient building envelope component which meets the performance and quality standards, and the certification requirements (if any), which—

"(a) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy or the Administrator of the Environmental Protection Agency, as appropriate), and

"(b) are in effect at the time of the acquisition of the property, or at the time of the completion of the construction, reconstruction, or erection of the property, as the case may be.

"(C) REQUIREMENTS FOR STANDARDS.—The standards and requirements prescribed by the Secretary under subparagraph (B)—

"(1) energy efficiency ratio (ER) for central air conditioners and electric heat pumps—

"(2) shall require measurements to be based on published data which is tested by manufacturers at 95 degrees Fahrenheit, and

"(3) may be based on the certified data of the Air Conditioner and Refrigeration Institute that are prepared in partnership with the Consortium for Energy Efficiency, and

"(4) in that case of geothermal heat pumps—

"(i) shall be based on testing under the conditions of ARI/ISO Standard 13256-1 for Water Source Heat Pumps or ARI 870 for Direct Expansion Geothermal Heat Pumps (DX), as appropriate, and

"(ii) shall include evidence that water heating services have been provided through a system connected to the storage water heater tank.

"(2) BUILDING ENVELOPE COMPONENT.—The term 'building envelope component' means—

"(A) any insulation material or system which is specifically designed to reduce the heat loss or gain of a dwelling unit when installed in or on such dwelling unit,

"(B) exterior windows (including skylights),

"(C) exterior doors,

"(D) any metal roof installed on a dwelling unit, but only if such roof has appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of such dwelling unit.

"(3) MANUFACTURED HOMES INCLUDED.—The term 'qualified energy property expenditures' includes any qualified energy property, the increase in the basis of such property, the increase in the basis of such property, or hot water boiler, and

"(C) $300 for any item of energy-efficient water heater which meets the Energy Star program requirements, if

"(A) an electric heat pump water heater which yields an energy factor of at least 2.0 in the standard Department of Energy test procedure,

"(B) an electric heat pump which has a heating seasonal performance factor (HSPF) of at least 3.2, an energy efficiency ratio (SEER) of at least 15, and an energy efficiency ratio (EER) of at least 11,

"(C) a geothermal heat pump which—

"(i) in the case of a closed loop product, has an energy efficiency ratio (EER) of at least 14.1 and a heating coefficient of performance (COP) of at least 3.3,

"(ii) in the case of an open loop product, has an energy efficiency ratio (EER) of at least 16.2 and a heating coefficient of performance (COP) of at least 3.6, and

"(iii) in the case of a direct expansion (DX) product, has an energy efficiency ratio (EER) of at least 15 and a heating coefficient of performance (COP) of at least 3.3,

"(D) a central air conditioner which achieves the highest efficiency tier established by the Consortium for Energy Efficiency, as in effect on January 1, 2006,

"(E) a natural gas, propane, or oil water heater which has an energy factor of at least 0.80,

"(F) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term "qualified natural gas, propane, or oil furnace or hot water boiler" means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency ratio of not less than 85.7,

"(G) ADVANCED MAIN AIR CIRCULATING FAN.—The term 'advanced main air circulating fan' means a fan used in a natural gas, propane, or oil furnace and which has an annual electricity use of less than 1,800 kilowatt hours per year, and

"(H) LIMITS APPLIED SEPARATELY.—In the case of any expenditure described in subparagraphs (A), (B), (C), (D), (E), (F), (H), and (I), the amount of the credit so allowed.

"(1) IN GENERAL.—For purposes of this section—

"(1) APPLICATION OF RULES.—Rules similar to the rules under paragraphs (4), (5), (6), (7), (8), and (9) of section 25D(e) shall apply.

"(2) JOINT OWNERSHIP OF ENERGY ITEMS.—

"(1) IN GENERAL.—Any expenditure otherwise qualifying as an expenditure under this section shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.

"(2) LIMITS APPLIED SEPARATELY.—In the case of any expenditure described in subparagraph (A), the amount of the credit allowable with respect to such expenditure may be computed separately with respect to the amount of the expenditure made for each dwelling unit.

"(3) BASIS ADJUSTMENTS.—For purposes of this subsection, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property resulting from such expenditure result from such expenditure shall be reduced by the amount of the credit so allowed.

"(1) TERMINATION.—This section shall not apply with respect to any property placed in service after December 31, 2007.

(b) CONSEQUENTIAL AMENDMENTS—

"(1) ATTACK SECTION 25D(e).—Subsection (a) of section 25D(e), as amended by this Act, is amended by striking 'and' at the end of paragraph (22), by striking the period at the end of paragraph (33) and inserting 'and', and by adding at the end the following new paragraph:

"(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25B the following new item:

"(Sec. 25C. Nonbusiness energy property."

(c) EFFECTIVE DATES.—The amendments made by this section shall apply to property placed in service after December 31, 2005.

"SEC. 1334. CREATION OF ENERGY EFFICIENT APPLIANCES.

(a) IN GENERAL.—Subtitle D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to business-related credits, as amended by this Act, is amended by adding at the end the following new section:

"(b) ENERGY EFFICIENT APPLIANCE CREDIT.—

"(1) IN GENERAL.—For purposes of section 38, the energy efficient appliance credit determined under subsection (a) of this section is an amount equal to the sum of the credit amounts determined under paragraph (2) for each type of qualified energy efficient appliance produced by the taxpayer during the calendar year ending with or within the taxable year.

"(2) CREDIT AMOUNT.—The credit amount determined for any type of qualified energy efficient appliance is—

"(A) the applicable amount determined under subsection (b) with respect to such type, multiplied by

"(B) the eligible production for such type.

"(c) APPLICABLE AMOUNT.—

"(1) IN GENERAL.—

"(2) JOINT OWNERSHIP OF ENERGY ITEMS.—

"(1) IN GENERAL.—Any expenditure otherwise qualifying as an expenditure under this section shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.

"(2) LIMITS APPLIED SEPARATELY.—In the case of any expenditure described in subparagraph (A), the amount of the credit allowable with respect to such expenditure may be computed separately with respect to the amount of the expenditure made for each dwelling unit.

"(3) BASIS ADJUSTMENTS.—For purposes of this subsection, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property resulting from such expenditure result from such expenditure shall be reduced by the amount of the credit so allowed.

"(4) TERMINATION.—This section shall not apply with respect to any property placed in service after December 31, 2007.

(b) CONSEQUENTIAL AMENDMENTS—

"(1) CONFORMING AMENDMENTS.—

"(2) THE TABLE OF SECTIONS FOR SUBPART A OF PART IV OF SUBCHAPTER A OF CHAPTER 1 IS AMENDED BY INSERTING AFTER THE ITEM RELATING TO SECTION 25B THE FOLLOWING NEW ITEM:

"(Sec. 25C. Nonbusiness energy property."

(c) EFFECTIVE DATES.—The amendments made by this section shall apply to property placed in service after December 31, 2005.
(1) A dish washer described in subsection (b)(1)(A),
(2) any clothes washer described in subsection (b)(1)(B), and
(3) any refrigerator described in subsection (b)(1)(C).

(2) DISHWASHER.—The term ‘dishwasher’ means a residential dishwasher subject to the energy conservation standards established by the Department of Energy.

(3) CLOTHES WASHER.—The term ‘clothes washer’ means a residential model clothes washer, including a residential style coin operated washer.

(4) REFRIGERATOR.—The term ‘refrigerator’ means a residential model automatic defrost refrigerator-freezer which has an internal volume of at least 16.5 cubic feet.

(5) EF.—The term ‘EF’ means the energy factor established by the Department of Energy for compliance with the Federal energy conservation standards.

(6) PRODUCED.—The term ‘produced’ includes manufactured.


(8) SPECIAL RULES.—For purposes of this section:

(1) IN GENERAL.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply.

(2) CONTROLLED GROUP.—

(A) IN GENERAL.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single employer.

(B) INCLUSION OF FOREIGN CORPORATIONS.—For purposes of subparagraph (A), in applying subsections (a) and (b) of section 52 to this section, section 1562 shall be applied without regard to subsection (b)(2)(C) thereof.

(3) VERIFICATION.—No amount shall be allowed as a credit under subsection (a) with respect to which the taxpayer has not submitted such information or certification as the Secretary, in consultation with the Secretary of Energy, determines necessary.

(4) CONFORMING AMENDMENT.—Section 28(b) (relating to general business credit), as amended by this Act, is amended by striking ‘plus’ at the end of paragraph (2), by striking the period at the end of paragraph (3), by inserting ‘plus’ before it, and by adding at the end the following new paragraph:

‘‘(24) the energy efficient appliance credit determined under subsection (b),’’

(5) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new item:

‘‘Sec. 45M. Energy efficient appliance credit.’’

(6) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2005.

SEC. 1255. CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable credits) is amended by inserting after section 25C the following new section:

‘‘SEC. 25D. RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of:

(1) 30 percent of the qualified solar water heating property expenditures made by the taxpayer during such year,

(2) 20 percent of the qualified solar water heating property expenditures made by the taxpayer during such year,

and

(3) 30 percent of the qualified fuel cell property expenditures made by the taxpayer during such year.

(b) LIMITATIONS.—

(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) for any taxable year shall not exceed—

(A) $2,000 with respect to any qualified photovoltaic property expenditures,

(B) $2,000 with respect to any qualified solar water heating property expenditures, and

(C) $500 with respect to each half kilowatt of capacity of qualified fuel cell property (as defined in section 48(c)(1)) for which qualified fuel cell property expenditures are made.

(2) CERTIFICATION OF QUALIFIED SOLAR WATER HEATING PROPERTY.—No credit shall be allowed under this section for an item of property described in subsection (d)(1) unless such property is certified for performance by the Solar Rating Certification Corporation or a comparable entity endorsed by the government of the State in which such property is installed.

(c) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for any taxable year reduced by the sum of the credits allowable under subsections (b) and (c) of this section, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

(d) DEFINITIONS.—For purposes of this section:

(1) QUALIFIED SOLAR WATER HEATING PROPERTY EXPENDITURE.—The term ‘qualified solar water heating property expenditure’ means an expenditure for property to heat water for use in a dwelling unit located in the United States and used as a residence by the taxpayer if at least half of the energy used by such property for such purpose is derived from the sun.

(2) QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE.—The term ‘qualified photovoltaic property expenditure’ means an expenditure for property which uses solar energy to generate electricity for use in a dwelling unit located in the United States and used as a residence by the taxpayer.

(3) QUALIFIED FUEL CELL PROPERTY EXPENDITURE.—The term ‘qualified fuel cell property expenditure’ means an expenditure for qualified fuel cell property (as defined in section 48(c)(1)) installed on or in connection with a dwelling unit located in the United States and used as a principal residence (within the meaning of section 122) by the taxpayer.

(e) SPECIAL RULES.—For purposes of this section:

(1) LABOR COSTS.—Expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property described in subsection (d) and for piping or wiring to interconnect such property to the dwelling unit shall be taken into account for purposes of this section.

(2) SOLAR PANELS.—No expenditure relating to a solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as property described in paragraph (1) or (2) of subsection (d) solely because it constitutes a structural component of the structure on which it is installed.

(3) SWIMMING POOLS, ETC., USED AS STORAGE MEDIUM.—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

(4) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—In the case of joint occupancy of the dwelling unit which is jointly occupied and used during any calendar year as a residence by 2 or more individuals the following rules shall apply:

(A) The amount of the credit allowed, under subsection (a) by reason of expenditures (as the case may be) made during such calendar
year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

"(B) Or the taxpayer under such subsection (a) for the taxable year in which such calendar year ends in an amount which is the ratio of the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(C) Subparagraphs (A) and (B) shall be applied separately with respect to expenditures described in paragraphs (1), (2), and (3) of section 25D.

"(D) SPECIAL RULE.—The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to expenditures described in paragraph (1) of section 528(c) (other than a current use capital expenditure) with respect to a condominium project substantially all of the units of which are used as residences.

"(E) Allocation in certain cases.—If less than the entire cost of any item is for nonbusiness purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness purposes shall be taken into account.

"(8) WHEN EXPENDITURE MADE; AMOUNT OF EXPENDITURE.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), in the case of an individual who is a member of a condominium management association with respect to a condominium which the individual owns, such individual shall be treated as having made in 2007 and 2008 the proportionate share of any expenditures of such association.

"(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (C) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(C) ALLOCATION IN CERTAIN CASES.—If less than the entire cost of any item is for nonbusiness purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness purposes shall be taken into account.

"(D) WHEN EXPENDITURE MADE; AMOUNT OF EXPENDITURE.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), in the case of any item which is not for nonbusiness purposes, only such portion of the expenditures for such item as is allocable to use for nonbusiness purposes shall be taken into account.

"(B) EXPENDITURES PART OF BUILDING CONSTRUCTION.—In the case of expenditures part of a building in connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

"(C) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any dwelling unit, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).

"(D) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(E) TERMINATION.—The credit allowed under this section shall not apply to property placed in service after December 31, 2007.

"(F) COMFORMING AMENDMENTS.—

"(1) Section 528(e)(5) is amended by striking "this section and section 1400C" and inserting "this section, section 25D, and section 1400C".

"(2) Section 25(e)(1)(C) is amended by striking "this section, section 25D, and section 1400C" and inserting "other than this section, section 25D, and section 1400C".

"(3) Section 1400C(d) is amended by striking "this section and inserting "this section and section 25D".

"(4) Section 106(a), as amended by this Act, is amended by striking the last sentence of paragraph (32) by adding the second sentence at the end of such paragraph.

"(5) The table of subparts of part A of chapter 1, as amended by this Act, is amended by striking the last column of the first column of such table.

"(F) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date.

SEC. 1336. CREDIT FOR BUSINESS INSTALLATION OF QUALIFIED FUEL CELLS AND STATIONARY MICROTURBINE POWER PLANTS.

"(a) IN GENERAL.—Section 48(a)(3)(A) (defining energy property) is amended by striking "or" at the end of clause (i), by adding "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) qualified fuel cell property or qualified microturbine property.".

"(b) QUALIFIED FUEL CELL PROPERTY; QUALIFIED MICROTURBINE PROPERTY.—Section 48 (relating to energy credit) is amended by adding at the end the following new subsection:

"(1) QUALIFIED FUEL CELL PROPERTY; QUALIFIED MICROTURBINE PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified fuel cell property' means a fuel cell power plant which—

"(i) has a nameplate capacity of at least 0.5 kilowatt of electric power using an electrochemical process, and

"(ii) has an electricity-only generation efficiency greater than 30 percent.

"(B) FUEL CELL POWER PLANT.—The term 'fuel cell power plant' means a fuel cell electric generation system comprised of a fuel cell stack assembly and associated balance of plant components which converts a fuel into electricity using electrochemical means.

"(C) SPECIAL RULE.—The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to qualified fuel cell property which is used predominantly in the trade or business of the furnishing or sale of telephone service, telegraph service by means of domestic telegraph operations, or other telegraph services (other than international telegraph services).

"(D) TERMINATION.—The term 'qualified fuel cell property' shall not include any property for any period after December 31, 2007.

"(E) QUALIFIED MICROTURBINE PROPERTY.—

"(A) IN GENERAL.—The term 'qualified microturbine property' means a stationary microturbine power plant which—

"(i) has a nameplate capacity of less than 2,000 kilowatts, and

"(ii) has an electricity-only generation efficiency of 30 percent or more (as determined under Internation Standard Organization conditions).

"(B) LIMITATION.—In the case of qualified microturbine property placed in service during the taxable year in which the credit otherwise determined under paragraph (1) for such year with respect to such property shall not exceed an amount equal to $200 for each kilowatt of capacity of such property.

"(C) STATIONARY MICROTURBINE POWER PLANT.—The term 'stationary microturbine property' means a power plant which is comprised of a gas turbine engine, a combustor, a recuperator or regenerator, a generator or alternator, and associated balance of plant components which converts a fuel into electricity using thermal energy. Such term also includes all secondary components located between the existing infrastructure for fuel delivery and the existing infrastructure for power distribution, including equipment and controls for meeting relevant power standards, such as voltage, frequency, and power factors.

"(D) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to periods after December 31, 2005, in taxable years ending after such date.

"(E) TERMINATION.—The term 'qualified microturbine property' shall not include any property for any period after December 31, 2007.

"(F) ENERGY PERCENTAGE.—Section 48(a)(2)(A) (relating to energy percentage) is amended to read as follows:

"(A) IN GENERAL.—The energy percentage is—

"(i) in the case of qualified fuel cell property, 30 percent, and

"(ii) in the case of any other energy property, 10 percent.

"(G) CONFORMING AMENDMENT.—Section 48(a)(1) is amended by inserting "except as provided in paragraph (1)(B) or (2)(B) of subsection (d)" before 'the energy'.

"(H) EFFECTIVE DATE.—The amendments made by this section shall apply to periods ending after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 1337. BUSINESS SOLAR INVESTMENT TAX CREDIT.

"(a) INCREASE IN ENERGY PERCENTAGE.—Section 48(a)(2)(A) (relating to energy percentage), as amended by this Act, is amended to read as follows:

"(A) IN GENERAL.—The energy percentage is—

"(i) 30 percent in the case of—

"(I) qualified fuel cell property,

"(II) qualified solar energy property described in paragraph (3)(A)(i) but only with respect to periods ending before January 1, 2008, and

"(III) energy property described in paragraph (3)(A)(ii), and

"(ii) in the case of any energy property to which clause (i) does not apply, 10 percent.

"(b) HYBRID SOLAR LIGHTING SYSTEMS.—Subparagraph (A) of section 48(a)(3) is amended by striking "or" at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (ii) the following new clause:

"(i) equipment which uses solar energy to illuminate the inside of a structure using fiber optic distributed sunlight but only with respect to periods ending before January 1, 2008.

"(c) LIMITATION ON USE OF SOLAR ENERGY TO HEAT SWIMMING POOLS.—Clause (i) of section 48(a)(3)(A) is amended by inserting "excepting" before 'the process of heating a swimming pool' after "solar process heat.".

"(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the date of the enactment of the Revenue Reconciliation Act of 1990).
### SEC. 1341. ALTERNATIVE MOTOR VEHICLE CREDIT.

(a) In General.—Subchapter B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

> **SUBSEC. 30B. ALTERNATIVE MOTOR VEHICLE CREDIT.**
> 
> (1) **IN GENERAL.**—For purposes of subparagraph (A), the term ‘qualified fuel cell electric motor vehicle’ means a motor vehicle:
> 
> (i) which is propelled by power derived from a fuel cell which directly converts hydrogen fuel into electric energy;
> 
> (ii) which meets or exceeds the Bin 5 Tier II emission standard which is so established.

(b) **NEW QUALIFIED FUEL CELL MOTOR VEHICLE CREDIT.**

> (1) **IN GENERAL.**—For purposes of this paragraph, the term ‘new qualified fuel cell electric motor vehicle credit’ means a credit determined under paragraph (b), and
> 
> (2) the new advanced lean burn technology motor vehicle credit determined under subsection (d), and
> 
> (3) the new qualified hybrid motor vehicle credit determined under subsection (c), and
> 
> (4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

(c) **NEW QUALIFIED FUEL CELL MOTOR VEHICLE CREDIT.**

> **(1) IN GENERAL.**—For purposes of subparagraph (A), the new qualified fuel cell electric motor vehicle credit determined under this subsection with respect to a new qualified fuel cell electric motor vehicle placed in service by the taxpayer during the taxable year is—
> 
> (i) **$10,000,** if such vehicle has a gross vehicle weight rating of more than 6,000 pounds,
> 
> (ii) **$7,000,** if such vehicle has a gross vehicle weight rating of 6,000 pounds or less but more than 3,000 pounds,
> 
> (iii) **$5,000,** if such vehicle weighs 3,000 pounds or less.

(d) **CREDIT AMOUNT.**

> **(1) IN GENERAL.**—For purposes of subparagraph (A), the term ‘qualified hybrid motor vehicle’ means a motor vehicle:
> 
> (i) which is propelled by power derived from one or more fuels which convert chemical energy into electric energy by combining hydroelectric energy into electric energy;
> 
> (ii) which meets or exceeds the Bin 5 Tier II emission standard which is so established.

(e) **NEW QUALIFIED FUEL CELL MOTOR VEHICLE CREDIT.**

> (1) **IN GENERAL.**—For purposes of subparagraph (A), the term ‘qualified fuel cell electric motor vehicle’ means a motor vehicle:
> 
> (i) which is propelled by power derived from a fuel cell which directly converts hydrogen fuel into electric energy;
> 
> (ii) which meets or exceeds the Bin 5 Tier II emission standard which is so established.

(f) **NEW ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE CREDIT.**

> (1) **IN GENERAL.**—For purposes of subsection (a), the term ‘new advanced lean burn technology motor vehicle credit’ means a credit determined under paragraph (2) with respect to a new advanced lean burn technology motor vehicle placed in service by the taxpayer during the taxable year.

### Table: Model Year City Fuel Economy

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<tr>
<th>Vehicle Inertia Weight Class Is</th>
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<tr>
<td>1,500 lbs</td>
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### Table: Motor Vehicle Credit

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### Table: New Advanced Lean Burn Technology Motor Vehicle Cred

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(D) which is made by a manufacturer.

(4) LIFETIME FUEL SAVINGS.—For purposes of this subsection, the term ‘lifetime fuel savings’ means, in the case of any new advanced lean burn technology motor vehicle, an amount equal to the excess (if any) of—

(A) 120,000 divided by the 2002 model year city fuel economy for the vehicle inertia weight class, over—

(B) 120,000 divided by the city fuel economy for such vehicle.

(5) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—

(A) IN GENERAL.—The term ‘new qualified hybrid motor vehicle’ means a motor vehicle—

(1) which draws propulsion energy from onboard sources of stored energy which are both—

(I) an electric storage device or heat engine using consumable fuel, and

(II) a rechargeable energy storage system,

(2) which is the case of a vehicle to which paragraph (2)(A) applies, has received a certificate of conformity under the Clean Air Act and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 202(i) of the Clean Air Act for that make and model year, and

(3) in the case of a vehicle having a gross vehicle weight rating of more than 6,000 pounds but not more than 8,500 pounds, the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and

(4) in the case of a vehicle having a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds, the Bin 5 Tier II emission standard which is so established, 

(5) which has a maximum available power of at least—

(A) 4 percent in the case of a vehicle to which paragraph (2)(A) applies, 

(B) 10 percent in the case of a vehicle which has a gross vehicle weight rating or more than 8,500 pounds but not more than 12,000 pounds, and

(C) 15 percent in the case of a vehicle in excess of 14,000 pounds,

(ii) in the case of a vehicle to which paragraph (2)(B) applies, has an internal combustion or heat engine which has received a certificate of conformity under the Clean Air Act as meeting the emission standards set in the regulations prescribed by the Administrator of the Environmental Protection Agency for 2004 through 2007 model year diesel heavy duty engines or otto cycle heavy duty engines, as applicable,

(1) the original use of which commences with the taxpayer,

(2) which is acquired for use or lease by the taxpayer and not for resale, and

(iii) which is made by a manufacturer.

Such term shall not include any vehicle which is not a passenger automobile or light truck if such vehicle has a gross vehicle weight rating of less than 8,500 pounds.

(B) CONSUMABLE FUEL.—For purposes of subparagraph (A), the term ‘consumable fuel’ means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.

(C) MAXIMUM AVAILABLE POWER.—

(1) CERTAIN PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—In the case of a vehicle to which paragraph (2)(A) applies, the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by such maximum power and the SAE net power of the heat engine.

(2) OTHER MOTOR VEHICLES.—In the case of a vehicle to which paragraph (2)(B) applies, the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle’s total traction power. For purposes of the preceding sentence, the term ‘total traction power’ means the sum of the peak power from the rechargeable energy storage system and the heat engine peak power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the term ‘total traction power’ is the peak power of such storage system.

(D) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE CREDIT.—

(1) ALLOWANCE OF CREDIT.—Except as provided in paragraph (5), the new qualified alternative fuel motor vehicle credit determined under this subsection is an amount equal to the applicable percentage of the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year, and

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage with respect to any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year, is—

(A) 90 percent, plus

(B) 20 percent, if such vehicle—

(i) has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year vehicle (other than a zero emission standard), or

(ii) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard).

For purposes of the preceding sentence, in the case of any new qualified alternative fuel motor vehicle which weighs more than 14,000 pounds, the applicable percentage of the incremental cost of such vehicle which would be determined under subsection (c)(2)(B) applies for purposes of the preceding sentence, except that if such vehicle is a vehicle to which paragraph (2)(A) applies, the amount does not exceed—

(1) $30,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds, 

(C) $25,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(4) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—For purposes of this subsection—

(A) IN GENERAL.—The term ‘new qualified alternative fuel motor vehicle’ means any motor vehicle—

(i) which is only capable of operating on an alternative fuel,

(ii) the original use of which commences with the taxpayer,

(iii) which is acquired by the taxpayer for use or lease, but not for resale, and

(iv) which is made by a manufacturer.

(B) ALTERNATIVE FUEL.—The term ‘alternative fuel’ means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, and any liquid at least 85 percent of which consists of such fuel.

(5) CREDIT FOR MIXED-FUEL VEHICLES.—

(A) IN GENERAL.—In the case of a mixed-fuel vehicle placed in service by the taxpayer during the taxable year, the credit determined under this subsection is an amount equal to—

(i) in the case of a 75/25 mixed-fuel vehicle, 70 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle, and

(ii) in the case of a 90/10 mixed-fuel vehicle, 90 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle.

(B) MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘mixed-fuel vehicle’ means any motor vehicle described in subparagraph (C) or (D) of paragraph (3), which—
(i) is certified by the manufacturer as being able to perform efficiently in normal operation on a combination of an alternative fuel and a petroleum-based fuel.

(ii) has received a certificate of conformity under the Clean Air Act, or

(iii) has received a certificate of conformity certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the low emission vehicle standard under section 88.105-94 of title 40, Code of Federal Regulations, for that make and model year vehicle.

(iii) the original use of which commences with the taxpayer,

(iv) which is acquired by the taxpayer for use or lease, but not for resale, and

(v) is used as a manufacturer.

(75) MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘75/25 mixed-fuel vehicle’ means a mixed-fuel vehicle which operates using at least 75 percent alternative fuel and not more than 25 percent petroleum-based fuel.

(90) 30 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘90/10 mixed-fuel vehicle’ means a mixed-fuel vehicle which operates using at least 90 percent alternative fuel and not more than 10 percent petroleum-based fuel.

(b) LIMITATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED LEAN-BURN TECHNOLOGY VEHICLES ELIGIBLE FOR CREDIT.

(1) IN GENERAL.—For purposes of this section, the term ‘new qualified hybrid motor vehicle’ has the meaning given such term in section 30(c)(2).

(2) CITY FUEL ECONOMY.—The city fuel economy with respect to any vehicle shall be measured in a manner which is substantially similar to the manner city fuel economy is measured in accordance with procedures under part 1060 of subchapter Q of chapter I of title 49, Code of Federal Regulations, as in effect on the date of the enactment of this section.

(3) OTHER TERMS.—Terms ‘automobile’, ‘passenger automobile’, ‘medium duty passenger vehicle’, ‘light truck’, and ‘manufacturer’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

(4) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed (determined without regard to subsection (g)).

(5) NO DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter—

(A) for any incremental cost taken into account in computing the amount of the credit determined under subsection (e) shall be reduced by the amount of such credit attributable to such cost, and

(B) with respect to a vehicle described under subsection (b) or (c), shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

(6) PROPERTY USED BY TAX-EXEMPT ENTITY.—In the case of a vehicle whose use is described in paragraph (3) or (4) of section 59(b) and which is not subject to a lease, the person who sold such vehicle to the person or entity using such vehicle shall be treated as the taxpayer that placed such vehicle in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such vehicle (determined without regard to subsection (g)).

(7) PROPERTY USED OUTSIDE UNITED STATES, ETC.—No credit shall be allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

(8) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

(9) ELECTRONIC FUEL AND ELECTRIC VEHICLES.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects not to have this section apply to such vehicle.

(c) EFFECTIVE DATE.—This section shall apply to the taxable year beginning after December 31, 2006.
“(27) to the extent provided in section 30C(1).”;

(3) Section 55(c)(2), as amended by this Act, is amended—by inserting “30Cd(2), after “30Bd(2),”;

(4) Section 6501(m) is amended by inserting “30C(e)(5), after “30Be(f).”;

(5) The table of subtitles in part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property credit.

(1) In general.—The credit allowed under subsection (a) for the taxable year shall be equal to the sum of the credits allowed under subsections (b) through (d) for the taxable year.

(2) Basis reduction.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess (if any) of—

(A) the regular tax reduced by the sum of—

(i) the credit allowed under subsection (b), and

(ii) the credit allowed under subsection (c); and

(B) the tentative minimum tax for the taxable year.

(3) Special rules.—For purposes of this section—

(a) Basis reduction.—The basis of any property placed in service after December 31, 2014, and at any time after December 31, 2014, and before the beginning of the taxable year, is reduced by the amount of such property credit after December 31, 2014, and before the beginning of the taxable year.

(b) Conforming amendments.—

(1) Section 38(b), as amended by this Act, is amended by striking “plus” at the end of paragraph (24), by striking the period at the end of paragraph (25) and inserting “,” and “,” and by adding at the end the following new paragraph:

(20) the portion of the alternative fuel vehicle credit to which section 30D(c)(1) applies.”;

(2) Section 162(a), as amended by this Act, is amended by striking “and” at the end of paragraph (4) and inserting “,” and, “,” and by adding at the end the following new paragraph:

“(ii) from the credit allowed under section 30D(c)(1).”;

(3) Section 55(c)(2), as amended by this Act, is amended—by inserting “30Cc(1), after “30Bd(1),”;

(4) Section 6501(m) is amended by inserting “30C(e)(5), after “30Be(f).”;

(5) The table of subtitles in part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property credit.

(1) In general.—The credit allowed under subsection (a) for the taxable year shall be equal to the sum of the credits allowed under subsections (b) through (d) for the taxable year.

(2) Basis reduction.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess (if any) of—

(A) the regular tax reduced by the sum of—

(i) the credit allowed under subsection (b), and

(ii) the credit allowed under subsection (c); and

(B) the tentative minimum tax for the taxable year.

(3) Special rules.—For purposes of this section—

(a) Basis reduction.—The basis of any property placed in service after December 31, 2014, and at any time after December 31, 2014, and before the beginning of the taxable year, is reduced by the amount of such property credit after December 31, 2014, and before the beginning of the taxable year.

(b) Conforming amendments.—

(1) Section 38(b), as amended by this Act, is amended by striking “plus” at the end of paragraph (24), by striking the period at the end of paragraph (25) and inserting “,” and “,” and by adding at the end the following new paragraph:

(20) the portion of the alternative fuel vehicle credit to which section 30D(c)(1) applies.”;

(2) Section 162(a), as amended by this Act, is amended by striking “and” at the end of paragraph (4) and inserting “,” and, “,” and by adding at the end the following new paragraph:

“(ii) from the credit allowed under section 30D(c)(1).”;

(3) Section 55(c)(2), as amended by this Act, is amended—by inserting “30Cc(1), after “30Bd(1),”;

(4) Section 6501(m) is amended by inserting “30C(e)(5), after “30Be(f).”;

(5) The table of subtitles in part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property credit.

(1) In general.—The credit allowed under subsection (a) for the taxable year shall be equal to the sum of the credits allowed under subsections (b) through (d) for the taxable year.

(2) Basis reduction.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess (if any) of—

(A) the regular tax reduced by the sum of—

(i) the credit allowed under subsection (b), and

(ii) the credit allowed under subsection (c); and

(B) the tentative minimum tax for the taxable year.

(3) Special rules.—For purposes of this section—

(a) Basis reduction.—The basis of any property placed in service after December 31, 2014, and at any time after December 31, 2014, and before the beginning of the taxable year, is reduced by the amount of such property credit after December 31, 2014, and before the beginning of the taxable year.

(b) Conforming amendments.—

(1) Section 38(b), as amended by this Act, is amended by striking “plus” at the end of paragraph (24), by striking the period at the end of paragraph (25) and inserting “,” and “,” and by adding at the end the following new paragraph:

(20) the portion of the alternative fuel vehicle credit to which section 30D(c)(1) applies.”;

(2) Section 162(a), as amended by this Act, is amended by striking “and” at the end of paragraph (4) and inserting “,” and, “,” and by adding at the end the following new paragraph:

“(ii) from the credit allowed under section 30D(c)(1).”;

(3) Section 55(c)(2), as amended by this Act, is amended—by inserting “30Cc(1), after “30Bd(1),”;

(4) Section 6501(m) is amended by inserting “30C(e)(5), after “30Be(f).”;

(5) The table of subtitles in part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property credit.

(1) In general.—The credit allowed under subsection (a) for the taxable year shall be equal to the sum of the credits allowed under subsections (b) through (d) for the taxable year.

(2) Basis reduction.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess (if any) of—

(A) the regular tax reduced by the sum of—

(i) the credit allowed under subsection (b), and

(ii) the credit allowed under subsection (c); and

(B) the tentative minimum tax for the taxable year.

(3) Special rules.—For purposes of this section—

(a) Basis reduction.—The basis of any property placed in service after December 31, 2014, and at any time after December 31, 2014, and before the beginning of the taxable year, is reduced by the amount of such property credit after December 31, 2014, and before the beginning of the taxable year.”;
(4) ALLOCATION.—For purposes of this subsection, in the case of a facility in which more than 1 person has an interest, productive capacity shall be allocated among such persons in such facility in any manner the Secretary may prescribe.

(5) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary.

(c) Election to treat renewable diesel as biodiesel.—

(A) ELECTION.—The following new subparagraph:

(1) In general.—Sec. 40A(a) (relating to biodiesel used as fuel), as amended by this Act, is amended by redesignating subparagraph (A) as subparagraph (B) and by inserting after subparagraph (B) the following new subparagraph:

(2) TREATMENT IN THE SAME MANNER AS BIODIESEL.—Except as provided in this paragraph, renewable diesel shall be treated in the same manner as biodiesel.

(2) EXCEPTIONS.—(A) Rate of credit.—Subsections (b)(1)(A) and (b)(2)(A) shall be applied with respect to renewable diesel by substituting "$1.00" for "50 cents.

(B) NONAPPLICATION OF CERTAIN CREDITS.—Subsections (b)(1) and (b)(5) shall not apply with respect to renewable diesel.

(3) RENEWABLE DIESEL DETERMINATION.—The term ‘renewable diesel’ means diesel fuel derived from biowaste (as defined in section 25(k)(1)(B)) using a thermal depolymerization process which meets—

(1) THE RELEVANT REQUIREMENTS FOR FUELS AND FUEL ADDITIVES ESTABLISHED BY THE ENVIRONMENTAL PROTECTION AGENCY UNDER SECTION 211 OF THE CLEAN AIR ACT (42 U.S.C. 7411), and

(2) THE REQUIREMENTS OF THE SOCIETY FOR TESTING AND MATERIALS D975 OR D936.

(b) CLERICAL AMENDMENTS.—

(1) The heading of section 40A is amended by inserting "and renewable diesel" after "BIODIESEL".

(2) The item in the table of contents for subpart D of part IV of chapter A of chapter 1 relating to section 40A is amended to read as follows:

"Sec. 40A. Biodiesel and renewable diesel used as fuel."

(3) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to fuel sold or used after December 31, 2005.

Sec. 1347. MODIFICATION OF SMALL ETHANOL PRODUCER CREDIT.

(a) DEFINITION OF SMALL ETHANOL PRODUCER.—Section 40(g) (relating to definitions and special rules for eligible small ethanol producer credit) is amended by striking "$30,000,000" and inserting "$30,000,000,000".

(b) WRITTEN NOTICE OF ELECTION TO ALLOCATE CREDIT TO PATRONS.—Section 40(g)(6)(A) (relating to written notice) is amended by striking "$30,000,000" and inserting "$30,000,000,000.".

(c) EFFECTIVE DATE.—The amendments made by subsection (b) shall apply with respect to taxable years beginning after the date of the enactment of this Act.

Sec. 1348. SUNSET OF DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN RESEARCH CREDIT.

Subsection (f) of section 179E (relating to terminations) is amended by striking "December 31, 2006" and inserting "December 31, 2005".

Subtitle E—Additional Energy Tax Incentives

Sec. 1351. EXPANSION OF RESEARCH CREDIT.

(a) CREDIT FOR EXPENSES ATTRIBUTABLE TO CERTAIN COLLABORATIVE ENERGY RESEARCH CONSORTIA.—

(1) IN GENERAL.—Section 41(a) (relating to credit for increasing research activities) is amended by striking "and" at the end of paragraph (1), by striking the period at the end of paragraph (2), and by inserting the following new paragraph:

"(3) 20 percent of the amounts paid or incurred by the taxpayer in carrying on any trade or business by the taxpayer during the taxable year (including as contributions to an energy research consortium)."

(2) ENERGY RESEARCH CONSORTIUM DEFINED.—

(4) RENEWABLE ENERGY RESEARCH CONSORTIUM.—(A) IN GENERAL.—The term ‘energy research consortium’ means any organization—

(1) described in section 501(c)(3) and is exempt from tax under section 501(a) and is organized and operated primarily to conduct energy research, and

(2) organized and operated primarily to conduct energy research in the public interest (within the meaning of section 501(c)(3)),

(iii) to which at least 5 unrelated persons paid or incurred during the calendar year in the taxable year of the organization begins amounts (including as contributions) to such organization for energy research, and

(iv) to which no single person paid or incurred (including as contributions) during such calendar year an amount equal to more than 50 percent of the total amounts received by such organization during such calendar year for energy research.

(B) TREATMENT OF PERSONS.—All persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as related persons for purposes of paragraphs (A)(ii) and (b)(3)(C) and subsection (f)(1) as if a single person for purposes of paragraphs (A)(i) and (b)(3)(C) and subsection (f)(1).

(C) CONFORMING AMENDMENT.—Section 41(b)(3)(C) is amended by inserting "(other than an energy research consortium)" after ‘organization’.

(D) REPEAL OF LIMITATION ON CONTRACT RESEARCH EXPENSES PAID TO SMALL BUSINESSES, UNIVERSITIES, AND FEDERAL LABORATORIES.—Section 41(b)(3) (relating to contract research expenses) is amended by striking at the end the following new subparagraph:

"(D) AMOUNTS PAID TO ELIGIBLE SMALL BUSINESSES, UNIVERSITIES, AND FEDERAL LABORATORIES WITHIN THE MEANING OF SUBTITLE E.".

(E) Alternate Eligibility.—(i) In general.—In the case of amounts paid by the taxpayer to—

(1) an eligible small business,

(2) an institution of higher education (as defined in section 330(f)), or

(3) an organization which is a Federal laboratory or qualified research which is energy research, subparagraph (A) shall be applied by substituting "100 percent" for "65 percent.

(F) EXCEPTION.—ELIGIBLE SMALL BUSINESS.—For purposes of this subparagraph, the term ‘eligible small business’ means a small business with respect to which the taxpayer does not own (within the meaning of section 280F) 80 percent or more of—

(1) in the case of a corporation, the outstanding stock of the corporation (either by vote or value), and

(2) in the case of a business which is not a corporation, the capital and profits interests of the small business.

(G) SMALL BUSINESS.—For purposes of this subparagraph—

(1) IN GENERAL.—The term ‘small business’ means, with respect to any calendar year, any person (including an annual am and number of employees employed by such person during either of the 2 preceding calendar years was 500 or fewer. For purposes of the preceding sentence, the calendar year may be taken into account only if the person was in existence throughout the year.

(2) STARTUPS, CONTROLLED GROUPS, AND PREDECESSORS.—Rules similar to the rules of subparagraphs (B) and (D) of section 220(c)(4) shall apply for purposes of this clause.

(H) FEDERAL LABORATORY.—For purposes of this subparagraph, the term ‘Federal laboratory’ has the meaning given such term by section 4(6) of the Stevenson-Wydler Technology Innovation Promotion Act of 1980 (15 U.S.C. 3703(6)), as in effect on December 31, 2005, or in effect on the date of the enactment of the Energy Tax Incentives Act of 2005.".
1353. NATIONAL ACADEMY OF SCIENCES

(a) STUDY.—Not later than 60 days after the date of the enactment of this Act, in taxable years ending after such date.

(b) REPORT.—Not later than 2 years after the date on which the agreement under subsection (a) is entered into, the National Academy of Sciences shall submit to Congress a report on the study conducted under subsection (a).

SEC. 1353. RECYCLING STUDY.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Secretary of Energy, shall conduct a study—

(1) to determine and quantify the energy savings achieved through the recycling of glass, paper, plastic, steel, aluminum, and electronic devices; and

(2) to identify tax incentives which would encourage recycling of such materials.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Treasury shall submit to Congress a report on the study conducted under subsection (a).

Subtitle F—Revenue Raising Provisions

SEC. 1361. OIL SPILL LIABILITY TRUST FUND FINANCING RATE.

Section 4011(f) (relating to oil spill liability trust fund financing rate) is amended—

(1) in paragraph (1), by striking ‘‘$2,400,000,000’’ and inserting ‘‘$2,000,000,000’’;

(2) in paragraph (2), by striking ‘‘$2,400,000,000’’ and inserting ‘‘$2,000,000,000’’;

(3) in paragraph (3), by striking ‘‘$2,400,000,000’’ and inserting ‘‘$2,000,000,000’’

(4) in paragraph (4), by striking ‘‘$2,400,000,000’’ and inserting ‘‘$2,000,000,000’’; and

(5) in paragraph (5), by striking ‘‘$2,400,000,000’’ and inserting ‘‘$2,000,000,000’’.

SEC. 1362. EXTENSION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.

(a) IN GENERAL.—Section 402(c) (relating to exemptions for diesel fuel and kerosene) is amended by inserting ‘‘other than such tax at the Leaking Underground Storage Tank Trust Fund financing rate imposed in all cases other than for export’’ after ‘‘section 4081’’.

(2) AMENDMENTS RELATING TO SECTION 402.—

(A) IN GENERAL.—Section 402(e) (defining super single tire) is amended by adding at the end the following new paragraph:

‘‘(C) A TIRE WITH A TRACTION INDEX OF LESS THAN 70, OTHER THAN A SUPER SINGLE TIRE, IS AMENDED TO INCLUDE A TIRE WITH A TRACTION INDEX OF LESS THAN 70 AND A TRACTION INDEX OF 70 OR MORE.’’.

(B) Section 402(f) (relating to tires) is amended by striking ‘‘or (d)(1)’’.

(c) Section 404(d) is amended by adding at the end the following new paragraph:

‘‘(5) NONAPPLICATION OF EXEMPTIONS OTHER THAN FOR EXPORTS.—For purposes of this section, the tax imposed under this subsection shall not be determined without regard to subsections (i), (j), (n), and (o) of section 1401, (B) the tax imposed under this subsection shall be determined with regard to any tax imposed under subparagraph (3) thereof, (h), (l), and (m).’’.

(3) NO REFUND.—

(a) IN GENERAL.—Subchapter B of chapter 65 is amended by adding at the end the following new section:

‘‘SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.

‘‘(a) No refunds, credits, or payments shall be made under this subchapter for any tax imposed at the Leaking Underground Storage Tank Trust Fund financing rate, except in the case of fuels destined for export.’’.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:

‘‘6430. Treatment of tax imposed at Leaking Underground Storage Tank Trust Fund financing rate.’’.

(4) CERTAIN REFUNDS AND CREDITS NOT CHARGED TO TRUST FUND.

(a) IN GENERAL.—Section 9508 (relating to Leaking Underground Storage Tank Trust Fund) is amended to read as follows:

‘‘(a) EXPENDITURES.—In the case of amounts in the Leaking Underground Storage Tank Trust Fund which shall be available, as provided in appropriation Acts, only for purposes of making expenditures to carry out section 9508(b) of the Solid Waste Disposal Act as in effect on the date of the enactment of the Superfund Amendments and Reauthorization Act of 1986.,’’.

(b) EFFECTIVE DATE.

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 2005.

(2) NO EFFECT.—The amendments made by subsection (b) shall apply to fuel entered, removed, or sold after September 30, 2005.

SEC. 1363. MODIFICATION OF RECAPTURE RULES FOR AMORTIZABLE SECTION 197 INTANGIBLES.

(a) IN GENERAL.—Subsection (b) of section 1245 (relating to capture of intangibles) is amended by adding at the end the following new paragraph:

‘‘(7) DISPOSITION OF AMORTIZABLE SECTION 197 INTANGIBLES.—

‘‘(A) IN GENERAL.—If a taxpayer disposes of more than 1 amortizable section 197 intangible (as defined in section 197(c)) in a transaction or a series of related transactions, all such amortizable intangibles shall be treated as 1 section 1245 property for purposes of this section.

‘‘(B) EXCEPTION.—Subparagraph (A) shall not apply to the disposition of a section 197 intangible (as so defined) with respect to which the adjusted basis exceeds the fair market value.’’.

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to property disposed of or transferred after the date of the enactment of this Act.

SEC. 1364. CLARIFICATION OF TIRE EXCISE TAX.

(a) IN GENERAL.—Section 4072(e) (defining super single tire) is amended by adding at the end the following new paragraph:

‘‘(o) ‘‘Super single tire’’ means a single tire designed primarily for use on the front of a tractor trailer truck and which is 33 inches or more in diameter and which is subject to the tire excise tax under section 4072(e) (as so defined) with respect to a tractor trailer truck as that term is defined in section 4072(e) and which is not a super single tire within the meaning of section 4072(e).’’.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the production in the State of electricity from coal mined in the State and used in a facility, if such production meets all applicable Federal and State laws and if such facility uses scrubbers or other forms of clean coal technology.

(c) EFFECT ON INTERSTATE COMMERCE.—Any excess amounts taken by a State in accordance with this section with respect to a tax or fee payable, or incentive applicable, for any period beginning after the date of the enactment of this Act shall be—

(1) be considered to be a reasonable regulation of commerce; and

(2) not be considered to impose an undue burden upon interstate commerce or commerce otherwise impair, restrain, or discriminate, against interstate commerce.

SEC. 1365. REGULATION OF CERTAIN OIL USED IN TRANSPORTATION FROM ENERGY TECHNOLOGY, PRODUCTION, TRANSPORT, TRANSMISSION, DISTRIBUTION, STORAGE, USE, OR CONSERVATION ACTIVITIES.

(a) IN GENERAL.—With respect to the 1-year period beginning on January 1, 2006, the Secretary of the Treasury shall conduct a study to determine whether the use of an oil as identified under section 2(a)(1)(B) of the Edible Oil Regulatory Reform Act (31 U.S.C. 2720a(1)(B)) is appropriate as an energy incentive applicable, for any period beginning after the date of the enactment of this Act.

(b) ELIGIBLE ENTITIES.—Subsection (a) shall apply with respect to the production in the State of electricity from coal mined in the State and used in a facility, if such production meets all applicable Federal and State laws and if such facility uses scrubbers or other forms of clean coal technology.

(c) EFFECT ON INTERSTATE COMMERCE.—Any excess amounts taken by a State in accordance with this section with respect to a tax or fee payable, or incentive applicable, for any period beginning after the date of the enactment of this Act shall—

(1) be considered to be a reasonable regulation of commerce; and

(2) not be considered to impose an undue burden upon interstate commerce or commerce otherwise impair, restrain, or discriminate, against interstate commerce.

SEC. 1366. REGULATION OF CERTAIN OIL USED IN TRANSPORTATION.

Notwithstanding any other provision of law, or rule promulgated by the Environmental Protection Agency, vegetable oil made from soybeans and used in electric transformers as thermal insulation shall not be regulated as an oil identified under section 2(a)(1)(B) of the Edible Oil Regulatory Reform Act (31 U.S.C. 2720a(1)(B)).

SEC. 1367. OIL AND NATURAL GAS FACILITY HEALTH ASSESSMENT.

(a) ESTABLISHMENT.—The Secretary shall conduct a study of direct and significant health impacts for persons residing in proximity to petrochemical and oil refinery facilities. The Secretary shall consult with the Director of the National Cancer Institute and other Federal Government bodies with expertise in the field it deems appropriate in the design of such study. The study shall be conducted according to sound and objective scientific practices and present the weight of the scientific evidence concerning such impacts.

(b) ELIGIBLE ENTITIES.—Section 4071 of the Internal Revenue Code of 1986 with respect to each class of tire, and

(2) the number of tires in each such class on which tax is imposed under such section during such period.

(2) REPORT.—Not later than July 1, 2007, the Secretary of the Treasury shall submit to Congress a report on the study conducted under paragraph (1).
(h) REPORT TO CONGRESS.—The Secretary shall transmit the results of the study to Congress within 6 months of the enactment of this section.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for activities under this section such sums as are necessary for the completion of the study.

SEC. 1405. NATIONAL PRIORITY PROJECT DESIGNATION.

(a) DESIGNATION OF NATIONAL PRIORITY PROJECTS.—

(1) IN GENERAL.—There is established the National Priority Project Designation (referred to in this title as the “Designation”), which shall be evidenced by a medal bearing the inscription “National Priority Project”.

(2) DESIGN AND MATERIALS.—The medal shall be of such design and materials and bear such additional inscriptions as the President may prescribe.

(b) MAKING AND PRESENTATION OF DESIGNATIONS.—

(1) IN GENERAL.—The President, on the basis of recommendations made by the Secretary, shall annually designate organizations that have—

(A) advanced the field of renewable energy technology and contributed to North American energy security; or

(B) been certified by the Secretary under subsection (e).

(2) PRESENTATION.—The President shall designate persons with such ceremonies as the President may prescribe.

(c) USE OF DESIGNATION.—An organization that receives a Designation under this section may publicize the Designation as the organization as a National Priority Project in advertising.

(d) CATEGORIES IN WHICH THE DESIGNATION MAY BE GIVEN.—Separate Designations shall be made to qualifying projects in each of the following categories:

(1) Wind and biomass energy generation projects.

(2) Photovoltaic and fuel cell energy generation projects.

(3) Energy efficient building and renewable energy projects.

(4) First-In-Class projects.

(e) SELECTION CRITERIA.—

(1) IN GENERAL.—Certification and selection of the projects to receive the Designation shall be based on criteria established under this subsection.

(2) WIND, BIOMASS, AND BUILDING PROJECTS.—In the case of a wind, biomass, or building project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(3) SOLAR PHOTOVOLTAIC AND FUEL CELL PROJECTS.—In the case of a solar photovoltaic or fuel cell project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(4) ENERGY EFFICIENT BUILDING AND RENEWABLE ENERGY PROJECTS.—In the case of an energy efficient building or renewable energy project, the project shall demonstrate that the project will install not less than 30 megawatts of renewable energy generation capacity.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2006 through 2010.

SEC. 1406. COLD CREEK.

(a) STUDY.—The Secretary shall conduct a study of the application of radiation to petroleum at standard temperature and pressure to refine petroleum products, whose objective shall be to increase the economic yield from each barrel of oil.

(b) GOALS.—The goals of the study shall include—

(1) increasing the value of our current oil supply;

(2) reducing the capital investment cost for cracking oil;

(3) reducing the operating energy cost for cracking oil;

(4) reducing sulfur content using an environmentally responsible method.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $230,000 for fiscal year 2006.

SEC. 1407. OXYGEN-FUEL.

(a) PROGRAM.—The Secretary shall establish a program on oxygen-fuel systems. If feasible, the program shall include renovation of at least one existing large unit and one existing small unit, and construction of one new large unit and one new small unit.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for the program—

(1) $100,000,000 for fiscal year 2006;

(2) $100,000,000 for fiscal year 2007; and

(3) $50,000,000 for fiscal year 2008.

(c) DEFINITIONS.—For purposes of this section—

(1) the term “large unit” means a unit with a generating capacity of 200 megawatts or more;

(2) the term “oxygen-fuel systems” means systems that utilize fuel efficiency benefits of oil, gas, coal, and biomass combustion using substantially pure oxygen, with high flame temperatures and the exclusion of air from the boiler, in industrial or electric utility steam generating units; and

(3) the term “small unit” means a unit with a generating capacity in the 10-50 megawatt range.

Subtitle B—Set America Free

SEC. 1421. SHORT TITLE.

This subtitle may be cited as the “Set America Free Act of 2005” or the “SAFE Act.”

SEC. 1422. PURPOSE.

The purpose of this subtitle is to establish a United States commission to make recommendations for a coordinated and comprehensive North American energy policy that will achieve energy self-sufficiency within the next three contiguous North American nation area of Canada, Mexico, and the United States.

SEC. 1423. UNITED STATES COMMISSION ON NORTH AMERICAN ENERGY FREEDOM.

(a) ESTABLISHMENT.—There is hereby established the United States Commission on North American Energy Freedom (in this subtitle referred to as the “Commission”). The Federal Advisory Committee Act (5 U.S.C. App.), except sections 3, 7, and 12, does not apply to the Commission.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of 16 members appointed by the President from among individuals described in paragraphs (2) who are knowledgeable on energy issues, including oil and gas exploration and production, crude oil refining, and the development of new sources, including coal, unconventional hydrocarbon resources, fuel cells, motor vehicle power systems, nuclear energy, renewable energy, bioenergy, and energy conservation. The membership of the Commission shall be balanced by area of expertise to the extent consistent with maintaining the highest level of expertise on the Commission. Members of the Commission may be citizens of Canada, Mexico, or the United States, and the President shall ensure that citizens of all three nations are appointed to the Commission.

(2) NOMINATIONS.—The President shall appoint the members of the Commission within 60 days after the effective date of this Act, including individuals nominated as follows:

(A) Four members shall be appointed from among individuals nominated as follows:

(b) Four members shall be appointed from a list of eight individuals who shall be nominated by the minority leader of the Senate in consultation with the chairman of the Committee on Energy and Natural Resources of the Senate.

(c) Four members shall be appointed from a list of eight individuals who shall be nominated by the Speaker of the House of Representatives in consultation with the chairmen of the Committee on Energy and Commerce and Resources of the House of Representatives.

(D) Two members shall be appointed from a list of four individuals who shall be nominated by the minority leader of the House in consultation with the ranking Member of the Committee on Energy and Natural Resources of the Senate.

(E) Two members shall be appointed from a list of four individuals who shall be nominated by the minority leader of the House in consultation with the ranking Members of the Committee on Energy and Commerce and Resources of the House of Representatives.

(F) The chairman of the Commission shall be selected by the President, the chairman of the Commission shall be responsible for—

(A) the assignment of duties and responsibilities among staff personnel and their continuing supervision; and

(B) the use and expenditure of funds available to the Commission.
(4) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner as the original incumbent was appointed.

(c) RESOURCES.—In carrying out its functions under this title, the Commission is authorized to secure directly from any Federal agency or department any information it deems necessary to carry out its functions under this title, and such agency or department is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information (other than information declared in section 552(b)(6) of title 5, United States Code) to the Commission, upon the request of the Commission.

(2) CONTRACTS.—The Commission may enter into contracts, subject to the availability of appropriations for contracting, and employ such staff experts and consultants as may be necessary to carry out the duties of the Commission, as provided by section 3109 of title 5, United States Code; and

(3) establish a multidisciplinary science and technical advisory panel of experts in the field of energy to assist the Commission in preparing its report, including ensuring that the scientific and technical information considered by the Commission is based on the best scientific and technical information available.

(d) STAFFING.—The chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary for the Commission to perform its duties. The executive director shall be compensated at a rate not to exceed the rate prescribed for Level IV of the Executive Schedule under chapter 5316 of title 5, United States Code. The chairman shall select staff from among qualified citizens of Canada, Mexico, and the United States of America.

(8) MEETINGS.—

(1) ADMINISTRATION.—All meetings of the Commission shall be open to the public, except that a portion of it may be closed to the public if it concerns matters or information described in section 552(b)(6) of title 5, United States Code. Interested persons shall be permitted to appear at open meetings and present oral or written statements on the subject matter of the meeting. The Commission may administer oaths or affirmations to any person appearing before it.

(2) NOTICE.—Public Notice of Documents.

(A) NOTICE.—All open meetings of the Commission shall be preceded by timely public notice in the Federal Register of the time, place, and subject of the meeting.

(B) MINUTES.—Minutes of each meeting shall be kept and shall contain a record of the people present, a description of the discussion that occurred, and copies of all statements filed. Subject to section 532 of title 5, United States Code, the minutes and records of all meetings and other documents that were made available to or prepared for the Commission shall be available for public inspection and copying at a single location in the offices of the Commission.

(3) INITIAL MEETING.—The Commission shall hold its first meeting within 30 days after all 16 members have been appointed.

(I) REPORT.—Within 12 months after the effective date of this Act, the Commission shall submit to the President a final report of its findings and recommendations regarding North American energy freedom.

(g) ADMINISTRATIVE PROCEDURE FOR REPORT AND RECOMMENDATIONS.—Subject to subsection (f), the Commission shall cease to exist 90 days after the date on which it submits its final report.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are appropriated in this Act a sum of $19,000,000 for the 2 fiscal-year period beginning with fiscal year 2005, such sums to remain available until expended.

SEC. 1424. NORTH AMERICAN ENERGY FREEDOM POLICY.

Within 90 days after receiving and considering the report and recommendations of the Commission under section 1423, the President shall submit to Congress a statement of proposals to implement the recommendations of the Commission’s recommendations for a coordinated, comprehensive, and long-range national policy to achieve North American energy freedom by 2025.

TITLE XV—ETHANOL AND MOTOR FUELS

Subtitle A—Ethanol

SEC. 1501. RENEWABLE CONTENT OF GASOLINE.

(a) IN GENERAL.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (o) as subsection (n) and

(2) by inserting after subsection (n) the following:

‘‘(o) RENEWABLE FUEL PROGRAM.—

(1) DEFINITIONS.—In this section:

(A) CELLULOSIC BIOMASS ETHANOL.—The term ‘‘cellulosic biomass ethanol’’ means ethanol derived from any lignocellulosic or hemicellulosic material that is available on a renewable or recurring basis, including—

(i) dedicated energy crops and trees;

(ii) wood and wood residues;

(iii) agricultural residues;

(iv) fibers;

(v) animal wastes and other waste materials; and

(vi) municipal solid waste.

The term also includes any ethanol produced in facilities where animal wastes or other waste materials are digested or otherwise used to displace 90 percent or more of the fossil fuel normally used in the production of ethanol.

(B) WASTE DERIVED ETHANOL.—The term ‘‘waste derived ethanol’’ means ethanol derived from—

(i) animal wastes, including poultry fats and poultry wastes, and other waste materials; or

(ii) municipal solid waste.

(C) RENEWABLE FUEL.—

(i) The term ‘‘renewable fuel’’ means motor vehicle fuel that—

(aa) is produced from grain, starch, oilseeds, vegetable, animal, or fish materials including fats, greases, and oil; sugar beets, sugar components, tobacco, potatoes, or other biomass; or

(bb) is natural gas produced from a biogas source, including a landfill, sewage waste treatment plant, feedlot, or other place where decay organic material is found; and

(ii) is used to replace the quantity of fossil fuel present in a fuel mixture used to operate a motor vehicle.

(ii) INCLUSION.—The term ‘‘renewable fuel’’ includes—

(A) cellulosic biomass ethanol and ‘‘waste derived ethanol’’; and

(B) biodiesel (as defined in section 79 (1) of the Energy Policy Act of 1992 (42 U.S.C. 13202 (i))) and any blending components derived from renewable fuel provided that only the renewable fuel portion of any such blending component shall be considered part of the applicable volume under the renewable fuel program established by this subsection.

(D) SMALL REFINERY.—The term ‘‘small refinery’’ means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

(2) RENEWABLE FUEL PROGRAM.—

(A) REGULATIONS.—

(I) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, the Administrator shall promulgate regulations to

ensure that gasoline sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with subparagraph (B).

(ii) NONCONTINUOUS STATE OPT-IN.—

(I) IN GENERAL.—On the petition of a noncontiguous State or territory, the Administrator may allow the renewable fuel program established under this subsection to apply in the noncontiguous State or territory at the same time or any time after the Administrator promulgates regulations under this subparagraph.

(iii) OTHER ACTIONS.—In carrying out this clause, the Administrator may—

(aa) issue or revise regulations under this paragraph;

(bb) establish applicable percentages under paragraph (3); and

(dd) take such other actions as are necessary to allow for the application of the renewable fuels program in a noncontiguous State or territory.

(iv) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under clause (i)—

(I) shall contain compliance provisions applicable to refiners, blenders, distributors, and importers, as appropriate, to ensure that the requirements of this paragraph are met; but

(II) shall not—

(aa) restrict geographic areas in which renewable fuel may be used; or

(bb) impose any per-gallon obligation for the use of renewable fuel.

(v) REQUIREMENT IN CASE OF FAILURE TO PROVIDE REGULATIONS.—If the Administrator does not promulgate regulations under clause (i), the percentage of renewable fuel in gasoline sold or dispensed to consumers in the United States, on a volume basis, shall be 2.78 percent for calendar year 2006.

(B) APPLICABLE VOLUME.—

(1) CALENDAR YEARS 2006 THROUGH 2012.—For the purpose of subparagraph (A), the applicable volume for any of calendar years 2006 through 2012 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year:</th>
<th>Applicable volume of renewable fuel (in billions of gallons):</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>4.0</td>
</tr>
<tr>
<td>2007</td>
<td>4.7</td>
</tr>
<tr>
<td>2008</td>
<td>5.4</td>
</tr>
<tr>
<td>2009</td>
<td>6.1</td>
</tr>
<tr>
<td>2010</td>
<td>6.8</td>
</tr>
<tr>
<td>2011</td>
<td>7.4</td>
</tr>
<tr>
<td>2012</td>
<td>7.5</td>
</tr>
</tbody>
</table>

| CALENDAR YEARS 2013 AND THEREAFTER.—Subject to clauses (iii) and (iv), for the purposes of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be determined by the Administrator, in coordination with the Secretary of Agriculture and the Secretary of Energy, based on a review of the implementation of the program during calendar years 2006 through 2012, including a review of—

(I) the impact of the use of renewable fuels on the environment, air quality, energy security, job creation, and rural economic development; and

(ii) the expected annual rate of future production of renewable fuels, including cellulose ethanol.

(iii) MINIMUM QUANTITY DERIVED FROM CELLULOSIC BIOMASS.—For calendar year 2013 and each calendar year thereafter—

(I) the applicable volume referred to in clause (ii) shall contain a minimum of 250,000,000 gallons that are derived from cellulosic biomass.

(ii) the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.
“(iv) Minimum applicable volume.—For the purpose of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be equal to the product obtained by multiplying:

(I) the number of gallons of gasoline that the Administrator estimates will be sold or introduced into commerce in the calendar year; and

(II) the number of gallons of gasoline sold or introduced into commerce in calendar year 2012.

“(3) APPLICABLE PERCENTAGES.—

(A) Provision of estimate of volume of gasoline sold or introduced into commerce.—With respect to the following calendar year, the volume of gasoline projected to be sold or introduced into commerce in the United States.

(B) Determination of applicable percentage.—

(i) in general.—Not later than November 30 of each calendar years 2006 through 2012, based on the estimate provided under subparagraph (A), the Administrator of the Environmental Protection Agency shall determine and publish in the Federal Register, with respect to the following calendar year, the per-gallon fuel obligation that ensures that the requirements of paragraph (2) are met.

(ii) seasonal variations.—The renewable fuel obligation determined for a calendar year under clause (i) shall be the equivalent of 2.5 gallons of renewable fuel.

(6) Seasonal variations in renewable fuel use.—

(A) Study.—For each calendar year 2006 through 2012, the Administrator of the Energy Information Administration shall conduct a study of seasonal variations in the use of renewable fuel.

(B) Results.—

(i) if, for any calendar year, the Administrator determines that there are excessive seasonal variations in the use of renewable fuel.

(ii) the seasonal variations in the use of renewable fuel.

(C) Recommendations by the Secretary.—

— Based on the results of the study, the Secretary of Energy shall make specific recommendations to the Administrator concerning waiver of the requirements of paragraph (2), in whole or in part, to prevent any adverse impacts described in subparagraph (A).

(D) Waivers.—

— Not later than 270 days after the date of enactment of this paragraph, the Administrator shall, if and to the extent recommended by the Secretary of Energy under subparagraph (C), waive, in whole or in part, the renewable fuel requirement under paragraph (2) of any State for the production of 25 percent or more of the renewable fuel required under paragraph (2) in calendar year 2006.

(E) No effect on waiver authority.—

— Clause (i) does not limit the authority of the Administrator to waive the requirements of paragraph (2) in whole, or in part, under paragraph (7) of this section.

(9) Small refineries.—

(A) Temporary exemption.—

(i) in general.—The requirements of paragraph (2) shall not apply to small refineries until calendar year 2011.

(ii) extension of exemption.—

— Not later than December 31, 2006, the Secretary of Energy shall conduct for the Administrator a study to determine whether compliance with the requirements of paragraph (2) would impose a disproportionate economic hardship on small refineries.

(B) petitions based on disproportionate economic hardship.—

(i) extension of exemption.—In the case of a small refinery that the Secretary of Energy determines, under subparagraph (i), would be subject to a disproportionate economic hardship if required to comply with paragraph (2), the Administrator shall extend the exemption under clause (i) for the small refinery for a period of not less than 2 additional years.

(ii) evaluation of petitions.—In evaluating a petition under clause (i), the Administrator shall consider the findings of the study under subparagraph (A)(ii) and other economic factors.

(iii) deadline for action on petitions.—

— The Administrator shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

(C) credit program.—If a small refinery that notifies the Administrator that the small refinery waives the exemption under subparagraph (A)(ii) obtains a waiver under paragraph (7)(A), the Administrator shall provide for the generation of credits by the small refinery under paragraph (2)(A) to offset the renewable fuel deficit of the previous year.

(D) termination of waivers.—A waiver granted under subparagraph (A)(ii) shall terminate after 1 year, but may be renewed by the Administrator after consultation with the Secretary of Agriculture and the Secretary of Energy.

(E) study and waiver for initial year of program.—

— (A) in general.—Not later than May 180 days after the date of enactment of this paragraph, the Administrator shall conduct a study assessing whether the renewable fuel requirement under paragraph (2) will likely result in significant adverse impacts on consumers in 2006, on a national, regional, or State basis.

— (B) required evaluations.—The study shall evaluate renewable fuel—

(i) supplies and prices;

(ii) blendstock supplies; and

(iii) supply and distribution system capabilities.

(F) recommendations by the Secretary.—

— Based on the results of the study, the Secretary of Energy shall make specific recommendations to the Administrator concerning waiver of the requirements of paragraph (2), in whole or in part, to prevent any adverse impacts described in subparagraph (A).

(G) credit program.—If a small refinery that notifies the Administrator that the small refinery waives the exemption under subparagraph (A)(ii) obtains a waiver under paragraph (7)(A), the Administrator shall provide for the generation of credits by the small refinery under paragraph (2)(A) to offset the renewable fuel deficit of the previous year.
(5) beginning in the calendar year following the date of notification.

"(D) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of paragraph (3)(A) if the refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A).

"(10) ETHANOL MARKET CONCENTRATION ANALYSIS.—

"(a) ANALYSIS.—

"(i) IN GENERAL.—Not later than 180 days after the date of receipt of a notification from a Governor under that subparagraph.

(b) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(1) in paragraph (1), by striking "(or)" each place it appears and inserting "(or)"; and

(2) in the second sentence, by striking "or" and inserting "and"; and

(c) EXCLUSION FROM ETHANOL WAIVER.—Section 211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is amended—

(1) by redesigning paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following:

"(5) EXCLUSION FROM ETHANOL WAIVER.—

(A) PROMULGATION OF REGULATIONS.—Upon notification, accompanied by supporting documentation, from the Governor of a State that the Reid vapor pressure limitation established by paragraph (2) will increase emissions that contribute to air pollution in any area in the State, the Administrator shall, by regulation, apply the Reid vapor pressure limitation established by paragraph (2) to all fuel blends containing gasoline and 10 percent denatured anhydrous ethanol that are sold, offered for sale, dispensed, supplied, offered for supply, transported, or introduced into commerce in the area during the high ozone season.

(B) DEADLINE FOR PROMULGATION.—The Administrator shall promulgate regulations under subparagraph (A) not later than 90 days after the date of receipt of a notification from a Governor under that subparagraph.

(C) EFFECTIVE DATE.—

"(i) IN GENERAL.—With respect to an area in a State for which the Governor submits a notification under subparagraph (A), the regulations under that subparagraph shall take effect on the date of notification.

"(ii) Initial date of the high ozone season for the area that begins after the date of receipt of the notification; or

"(iii) 1 year after the date of receipt of the notification.

Determination of Insufficient Supply.

If, after receipt of a notification with respect to an area from a Governor of a State under subparagraph (A), the Administrator determines, on the Administrator’s own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (A) would result in an insufficient supply of gasoline in the State, the Administrator may—

"(aa) extend the effective date of the regulations under clause (i) with respect to the area for not more than 1 year; and

"(bb) make an extension under item (aa) for 2 additional periods, each of which shall not exceed 1 year.

"(ii) DEADLINE FOR ACTION ON PETITIONS.—

The Administrator shall act on any petition submitted under clause (I) not later than 180 days after the date of receipt of the petition.

"(iii) SURVEY AND REPORT.—Not later than December 1, 2006, and annually thereafter, the Administrator shall submit to Congress a survey and report on the results of the market concentration analysis performed under paragraph (4).

"(iii) EFFECTIVE DATE.

(1) IN GENERAL.—The provisions of this Act related to allegations in subparagraph (B) shall take effect on the date of receipt of the notification; or

(2) in subparagraph (C), by striking clause (ii) and (iii) as clauses (i) and (ii), respectively; and

(11) OPT-IN FOR SMALL REFINERIES—

(A) by striking clause (ii); and

(B) by redesigning clause (iii) as clause (ii).

"(12) APPLICABILITY.—The amendments made by paragraph (1) apply—

"(i) to the Administrator of the Environmental Protection Agency in consultation with the Secretary acting through the Administrator of the Energy Information Administration; and

"(ii) in the case of a State that has received a waiver under section 209(b) of the Clean Air Act (42 U.S.C. 7545(b)), beginning on the date of enactment of this Act; or

"(b) OPT-IN FOR SMALL REFINERIES—

(A) by striking paragraph (A); and

(B) in subparagraph (B) and (C), respectively.

"(13) OPT-IN FOR SMALL REFINERIES—

(A) IN GENERAL.—Section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) is amended—

"(a) by striking subparagraph (B) and (C), and in paragraph (D), by striking clause (ii) and (iii) as clauses (i) and (ii), respectively; and

(b) by striking subparagraph (C) and (D), respectively.

"(ii) CLAIMS FILED AFTER ENACTMENT.

If, after receipt of a notification from a Governor under subparagraph (B)(ii) or (B)(iii), the Administrator determines, on the Administrator’s own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (B)(ii) would result in an insufficient supply of gasoline in the State, the Administrator shall, by regulation, apply the Reid vapor pressure limitation established by paragraph (2) to all gasoline produced or distributed by the refiner or importer under subparagraph (B) for reformed gasoline containing renewable fuel.

"(iii) EXCLUSION FROM ETHANOL WAIVER.—

(A) PROMULGATION OF REGULATIONS.—Upon notification, accompanied by supporting documentation, from the Governor of a State that the Reid vapor pressure limitation established by paragraph (2) will increase emissions that contribute to air pollution in any area in the State, the Administrator shall, by regulation, apply the Reid vapor pressure limitation established by paragraph (2) to all fuel blends containing gasoline and 10 percent denatured anhydrous ethanol that are sold, offered for sale, dispensed, supplied, offered for supply, transported, or introduced into commerce in the area during the high ozone season.

(B) DEADLINE FOR PROMULGATION.—The Administrator shall promulgate regulations under subparagraph (A) not later than 90 days after the date of receipt of a notification from a Governor under that subparagraph.

"(i) IN GENERAL.—With respect to an area in a State for which the Governor submits a notification under subparagraph (A), the regulations under that subparagraph shall take effect on the date of notification.

"(ii) 1 year after the date of receipt of the notification.

Determination of Insufficient Supply.

If, after receipt of a notification with respect to an area from a Governor of a State under subparagraph (A), the Administrator determines, on the Administrator’s own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (A) would result in an insufficient supply of gasoline in the State, the Administrator may—

"(aa) extend the effective date of the regulations under clause (i) with respect to the area for not more than 1 year; and

"(bb) make an extension under item (aa) for 2 additional periods, each of which shall not exceed 1 year.

"(ii) DEADLINE FOR ACTION ON PETITIONS.—

The Administrator shall act on any petition submitted under subparagraph (I) not later than 180 days after the date of receipt of the petition.

"(iii) SURVEY AND REPORT.—Not later than December 1, 2006, and annually thereafter, the Administrator shall submit to Congress, and make publicly available, a report on the results of the market concentration analysis performed under paragraph (4).

"(iv) RECORDKEEPING AND REPORTING REQUIREMENTS.—The Administrator of the Environmental Protection Agency (hereinafter in this subsection referred to as the "Administrator") may require any refiner, blender, or importer to develop and maintain such records as are necessary to ensure that the survey conducted under paragraph (I) is accurate. The Administrator, to avoid duplicative requirements, shall rely, to the extent practicable, on existing recordkeeping and reporting requirements and other information available to the Administrator including gasoline distribution patterns that include multistate use areas.

"(v) APPLICABILITY.—Activities carried out under this subsection shall be conducted in a manner designed to protect confidentiality of individual responses.

SEC. 1502. FINDINGS.

Congress finds that—

"(1) since 1979, methyl tertiary butyl ether (hereafter in this section referred to as "MTBE") has been used nationwide at low levels in gasoline to replace lead as an octane booster or anti-knocking agent.

"(2) Public Law 101-510 (commonly known as the “Clean Air Act Amendments of 1990”) (42 U.S.C. 7401 et seq.) established a fuel oxygenate standard under which reformulated gasoline must contain at least 2 percent oxygen by weight; and

"(3) the fuel industry responded to the fuel oxygenate standard established by Public Law 101-510 by making substantial investments in—

(A) MTBE production capacity; and

(B) systems to deliver MTBE-containing gasoline to the marketplace.

SEC. 1503. CLAIMS FILED AFTER ENACTMENT.

Claims and legal actions filed after the date of enactment of this Act related to allegations in subparagraph (B)(ii) or (B)(iii) as clauses (i) and (ii), respectively; and

(B) by redesigning clause (iii) as clause (ii).

"(II) IN GENERAL.—Not later than November 15, 1991, the Administrator shall—

(1) by striking "Within 1 year after the enactment of the Clean Air Act Amendments of 1990," and inserting the following:

"(1) ELIMINATION.

(2) APPLICABILITY.

(3) REGULATIONS CONCERNING EMISSIONS OF TOXIC AIR POLLUTANTS.—Not later than 270 days after the date of enactment of this Act, the Administrator shall establish by regulation, for each refiner or importer (other than a refiner or importer in a State that has received a waiver under section 209(b) with respect to gasoline produced in that State), standards for toxic air pollutants from use of the reformulated gasoline produced or distributed by the refiner or importer that maintain the reduction of the average annual aggregate emissions of toxic air pollutants for reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002.

"(I) STANDARDS APPLICABLE TO SPECIFIC REFINERIES OR IMPORTERS.—

"(a) ELIMINATION.

"(b) APPLICABILITY OF OTHER STANDARDS.—

For any calendar year, the quantity of gasoline produced or distributed by a refiner or importer that is in excess of the quantity subject to subparagraph (A) shall be subject to the standards for emissions of toxic air pollutants promulgated under subparagraph (A) and paragraph (3)(B).

"(c) CREDIT PROGRAM.—The Administrator shall provide for the granting and use of credits for emissions of toxic air pollutants in the same manner as provided in paragraph (7).

"(II) REGIONAL PROTECTION OF TOXICITY REDUCTION BASINES.

"(a) ELIMINATION.

"(b) APPLICABILITY OF OTHER STANDARDS.—

For any calendar year, the quantity of gasoline produced or distributed by a refiner or importer that is in excess of the quantity subject to subparagraph (A) shall be subject to the standards for emissions of toxic air pollutants promulgated under subparagraph (A) and paragraph (3)(B).

"(c) CREDIT PROGRAM.—The Administrator shall provide for the granting and use of credits for emissions of toxic air pollutants in the same manner as provided in paragraph (7).
quantity of reformulated gasoline produced in 2001 and 2002; and

“(bb) the reduction of the average annual aggregate emissions of toxic air pollutants in each PADD if, in any calendar year, the reduction of the average annual aggregate emissions of toxic air pollutants in a PADD fails to meet or exceed the reduction of the average annual aggregate emissions of toxic air pollutants in the PADD in calendar years 2001 and 2002, the Administrator, not later than 90 days after the date of publication of the report on the calendar year under subclause (I), shall—

“(aa) identify, to the maximum extent practicable, the reasons for the failure, including the sources, volumes, and characteristics of reformulated gasoline that contributed to the failure; and

“(bb) promulgate revisions to the regulations promulgated under clause (ii), to take effect not earlier than 180 days but not later than 270 days after the date of promulgation, to provide that, notwithstanding clause (iii)(II), all reformulated gasoline produced or distributed at each refinery or importer shall meet the standards applicable to a refinery or importer under subparagraph (A) and inserting the following:

“(A) by striking ‘‘shall’’ and inserting ‘‘shall, on a regular basis,’’; and

“(B) by striking subparagraph (A) and inserting the following:

“(A) to conduct tests to determine potential public health and environmental effects of the fuel or additive (including carcinogenic, teratogenic, or mutagenic effects); and

“(BB) promulgate revisions to the regulations promulgated to control hazardous air pollutants from motor vehicles and motor vehicle fuels that make up the fuel and fuel vapor systems of a motor vehicle.

“Air Act as amended by this clause, then sections 184(a), the Administrator, not later than 180 days after the date of receipt of the application, shall publish for public comment but not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish an analysis in final form.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish an analysis in final form.

“(B) EMISSIONS MODEL.—For the purposes of this section, not later than 4 years after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

“(B) EVAPORATIVE EMISSIONS.—The study shall include estimates of the increase in total evaporative emissions from the use of gasoline with ethanol content in a motor vehicle, and the fleet of motor vehicles, due to permeation.

“SEC. 1507. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

“Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

“(1) in subclause (A), by striking ‘‘6’’ and inserting the following:

“(A) 9’’;

“(2) in subparagraph (A), by striking ‘‘6’’ and inserting the following:

“(A) 9’’;

“(3) in subparagraph (B), by striking ‘‘6’’ and inserting the following:

“(B) 9’’;

“(4) by adding at the end the following:

“(C) OZONE TRANSPORT REGION.

“(1) APPLICATION OF SECTION 184.—

“(I) IN GENERAL.—On application of the Governor of a State in a ozone transport region established by section 184(a), the Administrator, not later than 180 days after the date of receipt of the application, shall apply the prohibition specified in paragraph (5) to any area in the State (other than an area classified as a marginal, serious, or severe ozone nonattainment area under subtitle 2 of part D of title I) unless the Administrator determines under clause (iii) that there is insufficient capacity to produce reformulated gasoline.

“(II) EFFECT OF INSUFFICIENT DOMESTIC CAPACITY TO PRODUCE REFORMULATED GASOLINE.

“(I) In general.—The Administrator shall apply the prohibition specified in paragraph (5) to any area in the State that is in nonattainment with the National Ambient Air Quality Standards for ozone.

“(II) Extension of commencement date based on insufficient capacity.

“SEC. 1508. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.

“Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by inserting after subsection (p) the following:

“(q) ANALYSES OF MOTOR VEHICLE FUEL CHANGES AND EMISSIONS MODEL.—

“(1) ANTICIPATORY ANALYSIS.—

“(A) DRAFT ANALYSIS.—Not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Energy Policy Act of 2005.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 4 years after the date of enactment of this paragraph, the Administrator shall develop and finalize an emissions model that reflects, to the maximum extent practicable, the effects of toxic air pollutants and other appropriate sources.

“(C) APPLICATION OF ANALYSIS.—The Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

“SEC. 1509. PUBLICATION OF DETERMINATION REGULATIONS.

“Not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Energy Policy Act of 2005.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 4 years after the date of enactment of this paragraph, the Administrator shall develop and finalize an emissions model that reflects, to the maximum extent practicable, the effects of toxic air pollutants and other appropriate sources.

“(C) APPLICATION OF ANALYSIS.—The Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.
“(I) IN GENERAL.—If, after receipt of an application from a Governor of a State under clause (i), the Administrator determines, on the Administrator’s own motion or on petition of any person, or in consultation with the Secretary of Energy, that there is insufficient capacity to supply reformulated gasoline, the Administrator, by regulation—

(1) shall extend the commencement date with respect to the State under clause (ii)(I) for not more than 1 year; and

(bb) may renew the extension under item (aa) for up to 2 additional periods, each of which shall not exceed 1 year.

“(D) DEADLINE FOR ACTION ON PETITIONS.—The Administrator shall act on any petition submitted under paragraph (1) not later than 180 days after the date of receipt of the petition.”.

SEC. 1508. DATA COLLECTION.
Section 265 of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by adding at the end the following:

“(m) RENEWABLE FUELS SURVEY.—(I) In order to improve the ability to evaluate the effectiveness of the Nation’s renewable fuels mandate, the Administrator shall conduct and publish the results of a survey of renewable fuels demand in the motor vehicle fuels market in the United States, which includes a manner designed to protect the confidentiality of individual responses. In conducting the survey, the Administrator shall collect information on a national and regional basis, including each of the following:

(A) The quantity of renewable fuels produced.

(B) The quantity of renewable fuels blended.

(C) The quantity of renewable fuels imported.

(D) The quantity of renewable fuels demanded.

(E) Market price data.

(F) Such other analyses or evaluations as the Administrator finds necessary to achieve the purposes of this subsection.

“(2) The Administrator shall also collect or estimate information both on a national and regional basis, pursuant to subparagraphs (A) through (F) of paragraph (1), for the 5 years prior to implementation of this subsection.

“(3) This subsection does not affect the authority of the Administrator to collect data under section 1735 of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a).”.

SEC. 1509. FUEL SYSTEM REQUIREMENTS HARMONIZATION STUDY.
(a) STUDY.—
(1) IN GENERAL.—The Administrator of the Environmental Protection Agency and the Secretary shall jointly conduct a study of Federal, State, and local requirements concerning motor vehicle fuels, including—

(A) requirements relating to reformulated gasoline, volatility (measured in Reid vapor pressure), oxygenated fuel, and diesel fuel; and

(B) other requirements that vary from State to State, region to region, or locality to locality.

(2) REQUIRED ELEMENTS.—The study shall assess—

(A) the effect of the variety of requirements described in paragraph (1) on the supply, quality, and price of motor vehicle fuels available to the consumer;

(B) the effect of the requirements described in paragraph (1) on achievement of—

(i) national, regional, and local air quality standards and goals; and

(ii) related environmental and public health protection standards and goals (including the protection of children, pregnant women, minority and low-income communities, and other sensitive populations);

(C) the effect of Federal, State, and local motor vehicle fuel regulations, including multiple vehicle fuel requirements, on—

(i) domestic refiners;

(ii) the fuel distribution system; and

(iii) industry investment in new capacity;

(D) the effect of the requirements described in paragraph (1) on emissions from vehicles, refineries, and fuel handling facilities; and

(E) the effect of the requirements described in paragraph (1) on the ability of national or regional motor vehicle fuel slates for the 48 contiguous States that, while protecting and improving air quality at the national, regional, and local levels, (i) enhance flexibility in the fuel distribution infrastructure and improve fuel fungibility; (ii) reduce price volatility and costs to consumers and producers; (iii) provide increased liquidity to the gasoline market; and

(iv) enhance fuel quality, consistency, and supply reliability.

(F) such other analyses or evaluations as the Administrator finds necessary, to promote cleaner burning motor vehicle fuel; and

(G) the extent to which improvements in air quality and any increases or decreases in the price of motor fuel can be projected to result from the Environmental Protection Agency’s Tier II requirements for conventional gasoline and vehicle emission systems, on-road and off-road diesel fuel reformulated gasoline program, the renewable content requirements established by this subtitle, State programs regarding gasoline volatility, and any other requirements imposed by the Federal, State, or local programs regarding the composition of motor fuel.

(b) REPORT.—
(1) IN GENERAL.—Not later than June 1, 2008, the Administrator of the Environmental Protection Agency and the Secretary shall submit to Congress a report on the results of the study conducted under subparagraph (a).

(2) RECOMMENDATIONS.—
(A) IN GENERAL.—The report shall contain recommendations for legislative and administrative actions that—

(i) improve air quality;

(ii) reduce costs to consumers and producers; and

(iii) increase supply liquidity.

(B) REQUIRED CONSIDERATIONS.—The recommendations under subparagraph (A) shall take into account the need to provide advance notice of required modifications to refinery and fuel distribution systems in order to ensure an adequate supply of motor vehicle fuel in all States.

(3) CONSULTATION.—In developing the report, the Administrator of the Environmental Protection Agency and the Secretary shall consult with—

(A) the Governors of the States;

(B) automobile manufacturers;

(C) State and local air pollution control regulators;

(D) public health experts;

(E) motor vehicle fuel producers and distributors; and

(F) the public.

SEC. 1510. COMMERCIAL BYPRODUCTS FROM MUNICIPAL SOLID WASTE AND CELLULOSE BIOMASS CONVERTIBLE TO FUELS PROGRAM.
(a) DEFINITION OF MUNICIPAL SOLID WASTE.—
In this section, the term ‘‘municipal solid waste’’ means the meaning given the term ‘‘solid waste’’ in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(b) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the processing and conversion of municipal solid waste and cellulose biomass into fuel ethanol and other commercial byproducts.

(c) REQUIREMENTS.—The Secretary may provide a loan guarantee under subsection (b) to an applicant if—

(1) without a loan guarantee, credit is not available to the applicant under reasonable terms or conditions sufficient to finance the construction of a facility described in subsection (b);

(2) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and

(3) the loan is in an amount determined by the Secretary to be reasonable, taking into account the current average yield on outstanding obligations of the United States with standing obligations of the United States with periods of maturity comparable to the maturity of the loan.

(d) CRITERIA.—In selecting recipients of loan guarantees from among applicants, the Secretary shall give preference to—

(1) meet all applicable Federal and State permitting requirements;

(2) are most likely to be successful; and

(3) are located in local markets that have the greatest need for the facility because of—

(A) the limited availability of land for waste disposal;

(B) the availability of sufficient quantities of cellulosic biomass; or

(C) a high level of demand for fuel ethanol or other commercial byproducts of the facility.

(e) MATURITY.—A loan guaranteed under subsection (b) shall have a maturity of not more than 20 years.

(f) TERMS AND CONDITIONS.—The loan agreement for a loan guaranteed under subsection (b) shall provide that no provision of the loan agreement may be amended or waived without the consent of the Secretary.

(g) ASSURANCE OF REPAYMENT.—The Secretary shall require that an applicant for a loan guarantee under subsection (b) provide an assurance of repayment in the form of a performance bond, insurance, collateral, or other means acceptable to the Secretary in an amount equal to not less than 20 percent of the amount of the loan.

(h) GUARANTEE FEE.—The recipient of a loan guarantee under subsection (b) shall pay the Secretary an amount determined by the Secretary to be sufficient to cover the administrative costs of the Secretary relating to the loan guarantee.

(i) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the loan for the guarantee without proof of the principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(j) REPORTS.—Until each guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(l) TERMINATION OF AUTHORITY.—The authority of the Secretary to issue a loan guarantee under subsection (b) terminates on the date that is 10 years after the date of enactment of this Act.

SEC. 1511. RENEWABLE FUEL.
The Clean Air Act is amended by inserting after section 211 (42 U.S.C. 7511) the following:

“SEC. 212. RENEWABLE FUEL.
“(a) DEFINITIONS.—In this section—

(1) MUNICIPAL SOLID WASTE.—The term ‘‘municipal solid waste’’ has the meaning given the term ‘‘solid waste’’ in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(2) RFG STATE.—The term ‘‘RFG State’’ means a State in which is located 1 or more covered areas (as defined in section 211(h)(10)(D)).

(3) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of Energy.”
"(b) CELLULOSIC BIOMASS ETHANOL AND MUNICIPAL SOLID WASTE LOAN GUARANTEE PROGRAM.—

(1) IN GENERAL.—Pursuant to the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

SEC. 1512. CONVERSION ASSISTANCE FOR CELLULOSIC BIOMASS, WASTE-DERIVED ETHANOL, APPROVED REFORMULATED GASOLINES.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

(1) IN GENERAL.—The Secretary may provide grants to merchant producers of cellulosic biomass ethanol, approved renewable ethanol, approved reformulated gasoline, or other renewable fuels and components of fuels that have been approved and that are in compliance with the standards promulgated by the Administrator by that date.

(2) ELIGIBLE PRODUCTION FACILITIES.—A production facility shall be eligible to receive a grant under this subsection if the production facility has demonstrated the feasibility and viability of producing such fuel or component, is located in the United States, and is in compliance with all relevant laws and regulations.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated the following:

(A) $250,000,000 for fiscal year 2006; and
(B) $400,000,000 for fiscal year 2007.

SEC. 1513. BLENDED COMPLIANT REFORMULATED GASOLINES.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

(1) IN GENERAL.—Notwithstanding sections (h) and (k) and subject to the limitations in paragraph (2) of this subsection, it shall not be a violation of this title or of the regulations in subpart D of part 80 of title 40, Code of Federal Regulations, to blend at a retail location batches of ethanol-blended and non-ethanol-blended reformulated gasoline, provided that—

(A) each batch of gasoline to be blended has been individually certified as in compliance with subsections (h) and (k) prior to being blended;

(B) the retailer or the Administrator prior to such blending, and identifies the exact location of the retail station and the specific gasoline in which such blending is to take place;

(C) the retailer retains and, as requested by the Administrator or the Administrator's designee, makes available for inspection such certification accounting for all gasoline at the retail outlet; and

(D) the retailer does not, between June 1 and September 15 of each year, blend a batch of VOC-controlled, or ‘winter’, gasoline with a batch of non-VOC-controlled, or ‘summer’, gasoline (as these terms are defined under subsections (h) and (k)).

(2) LIMITATIONS.—

(A) FREQUENCY LIMITATION.—A retailer shall only be permitted to blend batches of compliant reformulated gasoline with a maximum of two blending periods between May 1 and September 15 of each calendar year.

(B) DURATION OF BLENDING PERIOD.—Each blending period authorized under subparagraph (A) shall extend for a period of no more than 10 consecutive calendar days.

(C) BLENDING OF COMPLIANT REFORMULATED GASOLINES.—

(1) IN GENERAL.—The Secretary may provide grants to allow refiners to blend batches of compliant reformulated gasoline at a retail location batches of ethanol-blended and non-ethanol-blended reformulated gasoline, provided that—

(A) the term ‘approved reformulated fuel’ is, as defined in section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211), which have been approved for use in vehicles using reformulated gasoline on or after that date, regardless of whether the implementing regulations required by paragraph (b) have been promulgated by the Administrator by that date.

(B) LIABILITY.—No person other than the person responsible for blending under this section shall be subject to an enforcement action under section 110, and no person shall be liable under subsection (a) of section 110 for non-compliance with any enforcement action under such section arising from the blending of compliant reformulated gasolines by the retailers.
(9) FORMULATION OF GASOLINE.—This subsection does not grant authority to the Administrator or any State (or any subdivision thereof) to require reformulation of gasoline at the refinery to maintain potential or actual emissions increases due to the blending authorized by this subsection.

SEC. 1514. ADVANCED BIOFUEL TECHNOLOGIES PROGRAM

(a) IN GENERAL.—Subject to the availability of appropriations under subsection (d), the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Agriculture and the Biomass Research and Development Technical Advisory Committee established under section 306 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note), establish a program, to be known as the “Advanced Biofuel Technologies Program”, to demonstrate advanced technologies for the production of alternative transportation fuels.

(b) PRIORITY.—In carrying out the program under subsection (a), the Administrator shall give priority to projects that enhance the geographical diversity of alternative fuels production and utilize feedstocks that represent 10 percent or less of ethanol or biodiesel fuel production in the United States during the previous fiscal year.

(c) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—As part of the program under subsection (a), the Administrator shall fund demonstration projects—

(A) to develop not less than 4 different conversion technologies for producing cellulosic biomass ethanol; and

(B) to develop not less than 5 technologies for coproducing value-added bioproducts (such as fertilizers, biofuels, and pesticides) resulting from the production of biodiesel fuel.

(2) ADMINISTRATION.—Demonstration projects under this subsection shall—

(A) be conducted based on a merit-reviewed, competitive process; and

(B) subject to the cost-sharing requirements of section 9004.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $110,000,000 for each of fiscal years 2009 through 2011.

SEC. 1515. WASTE-DERIVED ETHANOL AND BIO-DIESEL

Section 312(f)(1) of the Energy Policy Act of 1992 (42 U.S.C. 12242(e)) is amended—

(1) by striking “biodegradable” means and inserting the following: “biodegradable”—

(A) means; and

(2) paragraph (A) (as designated by paragraph (1)) by striking “and” at the end and inserting the following:

(B) includes biodegradable from—

(i) animal wastes, including poultry fats and poultry byproducts, and other waste materials; or

(ii) municipal solid waste sludges and sludges derived from wastewater and the treatment of wastewater; and

SEC. 1516. SUGAR ETHANOL LOAN GUARANTEE PROGRAM

(a) In General.—Funds may be provided for the cost (as defined in section 302 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of loan guarantees issued under title XIV to carry out commercial demonstration projects for ethanol derived from sugarcane, bagasse, and other sugarcane byproducts.

(b) DEMONSTRATION PROJECTS.—The Secretary may issue loan guarantees under this section to projects to demonstrate commercially the feasibility and viability of producing ethanol using sugarcane, sugarcane bagasse, and other sugarcane byproducts.

(c) REQUIREMENTS.—An applicant for a loan guarantee under this section may provide assurances, satisfactory to the Secretary, that—

(1) the project design has been validated through the operation of a continuous process facility;

(2) the project has been subject to a full technical review;

(3) the project, with the loan guarantee, is economically viable; and

(4) there is a reasonable assurance of repayment of the guaranteed loan.

(d) LIMITATIONS.—

(1) MAXIMUM GUARANTEE.—Except as provided in paragraph (2), a loan guarantee under this section—

(A) may be issued for up to 80 percent of the estimated cost of a project, but

(B) shall not exceed $50,000,000 for any project.

(2) ADDITIONAL GUARANTEES.—

(A) IN GENERAL.—The Secretary may issue additional loan guarantees for a project to cover—

(i) up to 80 percent of the excess of actual project costs; but

(ii) not to exceed 15 percent of the amount of the original loan guarantee.

(B) PRINCIPAL AND INTEREST.—Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan guarantee made under subparagraph (A).

Subtitle B—Underground Storage Tank Compliance

SEC. 1521. SHORT TITLE.

This subtitle may be cited as the “Underground Storage Tank Compliance Act”.

SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS.

(a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:

“(j) TRUST FUND DISTRIBUTION.—

(1) IN GENERAL.—

(A) AMOUNT AND PERMITTED USES OF DISTRIBUTION.—The Administrator shall distribute to States not less than 80 percent of the funds from the Trust Fund that are made available to States under section 9004(4)(A) for each fiscal year for use in paying the reasonable costs, incurred under a cooperative agreement with any State for—

(i) corrective actions taken by the States under section 9003(h)(7)(A); or

(ii) necessary administrative expenses, as determined by the Administrator, that are directly related to State fund or State assurance programs under subsection (c)(1); or

(iii) enforcement, by a State or a local government, of State or local regulations pertaining to underground storage tanks regulated under this subtitle.

(B) USE OF FUNDS FOR ENFORCEMENT.—In addition to the funds authorized under subparagraph (A), the Administrator may use funds from the Trust Fund that are not distributed to States under subparagraph (A) for enforcement of any regulation promulgated by the Administrator under this subtitle.

(C) PROHIBITED USE.—Funds provided to a State by the Administrator under subparagraph (A) shall not be used by the State to provide financial assistance to an owner or operator to meet any requirement relating to underground storage tanks under subparts B, C, D, H, and G of part 90 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this subsection).

(2) ALLOCATION.—

(A) PROCEDURE.—Subject to subparagraphs (B) and (C), in the case of a State with which the Administrator has entered into a cooperative agreement under section 9003(h)(7)(A), the Administrator shall distribute funds from the Trust Fund to the State using an allocation process developed by the Administrator.

(B) DIVERSION OF STATE FUNDS.—The Administrator shall not distribute funds under subparagraph (A)(iii) of subsection (j)(1) to any State that has diverted funds from a State fund or State assurance program for purposes other than those authorized under this subtitle, from underground storage tanks covered by this subtitle, with the exception of those transfers that had been completed earlier than the date of enactment of this subsection.

(3) DISTRIBUTIONS TO STATE AGENCIES.—Distributions from the Trust Fund under this subsection shall be made directly to a State agency that—

(A) enters into a cooperative agreement referred to in paragraph (2)(A); or

(B) is enforcing a State program approved under this section.

(b) WITHDRAWAL OF APPROVAL OF STATE FUNDS.—Section 9004(c) of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by inserting the following new paragraph at the end thereof:

“(3) WITHDRAWAL OF APPROVAL.—After an opportunity for good faith and cooperative efforts to correct financial deficiencies with a State fund, the Administrator may withdraw approval of any State fund or State assurance program to be used as a financial responsibility mechanism without withdrawing approval of a State underground storage tank program under section 9004(a).

(c) INABILITY OR LIMITED ABILITY TO PAY.—Section 9004(h)(6) of the Solid Waste Disposal Act (42 U.S.C. 6991c(h)(6)) is amended by adding the following new subparagraph at the end thereof:

“(E) INABILITY OR LIMITED ABILITY TO PAY.—

(1) IN GENERAL.—In determining the level of recovery effort, or amount that should be recovered, the Administrator (or the State pursuant to paragraph (7)) shall consider the owner or operator’s ability to pay. An inability or limited ability to pay corrective action costs must be demonstrated to the Administrator (or the State pursuant to paragraph (7)) by the owner or operator.

(2) CONSIDERATIONS.—In determining whether a demonstration of an inability or limited ability to pay corrective action costs is made under clause (i), the Administrator (or the State pursuant to paragraph (7)) shall take into consideration the ability of the owner or operator to pay corrective action costs and still maintain its basic business operations, including consideration of the overall financial condition of the owner or operator and demonstrable constraints on the ability of the owner or operator to raise revenues.

(3) INFORMATION.—An owner or operator requesting consideration under this subparagraph shall promptly provide the Administrator (or the State pursuant to paragraph (7)) with all relevant information needed to determine the ability of the owner or operator to pay corrective action costs.

(4) ALTERNATIVE PAYMENT METHODS.—The Administrator (or the State pursuant to paragraph (7)) shall consider alternative payment methods as may be necessary or appropriate if the Administrator (or the State pursuant to paragraph (7)) determines that an owner or operator cannot pay all or a portion of the costs in a lump sum payment.

(5) MISREPRESENTATION.—If an owner or operator provides false information or otherwise misrepresents their financial situation under this section, the Administrator (or the State pursuant to paragraph (7)) shall seek full recovery of the costs of all such actions pursuant to the
provisions of subparagraph (A) without consideration of the factors in subparagraph (B)."

SEC. 1523. INSPECTION OF UNDERGROUND STORAGE TANKS.

(a) INSPECTION REQUIREMENTS.—Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended by inserting the following new subsection at the end thereof:

(2) PERIODIC INSPECTIONS.—After completion of all inspections required under paragraph (1), the Administrator or a State that receives funding under this subtitle, as appropriate, shall conduct on-site inspections of all underground storage tank equipment technology; pursuant to the Congress containing the results of such study.

(b) STUDY OF ALTERNATIVE INSPECTION PROGRAMS.—Section 9005(c) of the Solid Waste Disposal Act (42 U.S.C. 6991d(c)) and shall, within 4 years after the date of enactment of this Act, submit a report to the Congress containing the results of such study.

SEC. 1524. OPERATOR TRAINING.

(a) IN GENERAL.—Section 9010 of the Solid Waste Disposal Act (42 U.S.C. 6991l) is amended to read as follows:

"SEC. 9010. OPERATOR TRAINING.

(a) GUIDELINES.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Underground Storage Tank Compliance Act, in consultation and cooperation with States and after public notice and opportunity for comment, the Administrator shall publish guidelines that specify training requirements for—

(A) persons having primary responsibility for on-site maintenance and maintenance of underground storage tank systems; and

(B) persons having on-site responsibility for the operation and maintenance of underground storage tank systems; and

(C) daily, on-site employees having primary responsibility for addressing emergencies presented by a spill or release from an underground storage tank systems.

(2) CONSIDERATIONS.—The guidelines described in paragraph (1) shall take into account—

(A) State training programs in existence as of the date of publication of the guidelines; and

(b) Training programs that are being employed by tank owners and tank operators as of the date of enactment of the Underground Storage Tank Compliance Act;

(c) the high turnover rate of tank operators and owners and the need for frequent and thorough training.

(d) The frequency of improvement in underground storage tank equipment technology;

(3) The nature of the businesses in which the tank operators are engaged;

(F) The substantial differences in the scope and length of training needed for the different classes of personnel described in subparagraphs (A), (B), and (C) of paragraph (1); and

(G) other such factors as the Administrator determines to be necessary to carry out this section.

(2) REQUIREMENTS.—State requirements described in paragraph (1) shall—

(A) be consistent with section (a);

(B) be developed in cooperation with tank owners and tank operators;

(C) take into consideration training programs implemented by tank owners and tank operators as of the date of enactment of this section; and

(D) be appropriately communicated to tank owners and operators.

(3) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements requirement in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $200,000, to be used to carry out the requirements.

(C) TRAINING.—All persons that are subject to the operator training requirements of subsection (a) shall—

(1) meet the training requirements developed under subsection (b); and

(2) repeat the applicable requirements developed under subsection (b), if the tank for which they have primary daily on-site maintenance responsibilities is determined to be out of compliance with—

(A) a requirement or standard promulgated by the Administrator under section 9003; or

(B) a requirement or standard of a State program approved under section 9004.(1)

(2) STATE PROGRAM REQUIREMENT.—Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991l(a)) is amended by striking "and" at the end of paragraph (2) and inserting "and"; and by adding the following new paragraph at the end thereof:

(9) State-specific training requirements as required by section 9002.

(d) TABLE OF CONTENTS.—The item relating to section 9010 in table of contents for the Solid Waste Disposal Act is amended to read as follows:

"Sec. 9010. Operator training."
SEC. 1527. DELIVERY PROHIBITION.
(a) In general.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

"Section 9012. Delivery prohibition.

(1) By adding the following new subparagraph after subparagraph (A) of paragraph (4):

"(E) the delivery prohibition requirement established by section 9012."

(2) By adding the following new sentence at the end thereof: "Any person that delivers, deposits, or accepts a delivery or deposit of a regulated substance or a regulated substance to an underground storage tank at an ineligible facility in violation of section 9012 shall be subject to the same civil penalty for each day of such violation."

(b) Table of contents.—The table of contents for such subtitle I is amended by adding the following new item at the end thereof:

"Sec. 9012. Use of funds for release prevention and compliance."

SEC. 1528. FEDERAL FACILITIES.
Section 9007 of the Solid Waste Disposal Act (42 U.S.C. 6991f) is amended to read as follows:

"Sec. 9007. Process or sanction of any State or Federal, State, interstate, or local underground storage tank facility for delivery, deposit, or acceptance of a regulated substance.

(a) In general.—Each department, agency, and instrumentalities of the executive, legislative, and judicial branches of the Federal Government that owns or operates 1 or more underground storage tanks, or that manages land on which 1 or more underground storage tanks are located, shall submit to the Administrator, the Committee on Energy and Commerce of the House of Representatives, the Committee on Governmental Operations of the House of Representatives, the Committee on Public Works and Transportation of the Senate, and the Committee on Environment and Public Works of the Senate a compliance strategy report that includes:

"(1) lists the location and owner of each underground storage tank described in this paragraph;

"(2) lists all tanks that are not in compliance with this subtitle that are owned or operated by the Federal agency;

"(3) specifies the date of the last inspection by the Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or Federal or 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(A) an Indian reservation; or
(B) any other area under the jurisdiction of an Indian tribe; and
(2) to implement and enforce requirements concerning underground storage tanks located wholly within the boundaries of—
(A) an Indian reservation; or
(B) any other area under the jurisdiction of an Indian tribe.
(b) REPORT.—Not later than 2 years after the date of enactment of this section, the Administrator shall submit to Congress a report that summarizes the status of implementation and enforcement of this subtitle in areas located wholly within—
(1) the boundaries of Indian reservations; and
(2) any other areas under the jurisdiction of an Indian tribe.
The Administrator shall make the report under this subsection available to the public.
(1) SEC. 1530. ADDITIONAL MEASURES TO PROTECT AN INDIAN TRIBE.
(a) In general.—Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended as follows:
(1) by striking “For the purposes of this subtitle” and inserting “In this subtitle”;
(2) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (10), (7), (4), (3), (8), (5), (2), and (6), respectively.
(b) Effect date.—This subsection shall take effect 1 year after the date of enactment of this section.
(c) Authorization of appropriations.—There are authorized to be appropriated $55,000,000 for each of fiscal years 2005 through 2009.

SEC. 1532. CONFORMING AMENDMENTS.
(a) In general.—Section 9001 of the Solid Waste Disposal Act (42 U.S.C. 6901) is amended to read as follows:

(1) by striking “For the purposes of this subtitle”— and inserting “In this subtitle”;
(2) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (10), (7), (4), (3), (8), (5), (2), and (6), respectively.

(b) INDIAN TRIBE.
(A) IN GENERAL.—The term ‘indian tribe’ means any Indian tribe under the jurisdiction of any other organized group or community that is recognized as being eligible for special programs and services provided by the United States to Indians because of their status as Indians.
(B) INCLUSIONS.—The term ‘Indian tribe’ includes an Alaska Native village, as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), and or the meaning given to it in section 9001, except

(c) Authorization of appropriations.—There are authorized to be appropriated $50,000,000 for each of fiscal years 2005 through 2009.

SEC. 9014. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by striking “$50,000,000 for each of fiscal years 2005 through 2009.” and inserting “$55,000,000 for each of fiscal years 2005 through 2009.”

SEC. 9015. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—Section 9003(i) of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by striking “$50,000,000 for each of fiscal years 2005 through 2009.” and inserting “$55,000,000 for each of fiscal years 2005 through 2009.”

(b) INCLUSIONS.—The term ‘Indian tribe’ means any Indian tribe under the jurisdiction of any other organized group or community that is recognized as being eligible for special programs and services provided by the United States to Indians because of their status as Indians.

(c) Authorization of appropriations.—There are authorized to be appropriated $55,000,000 for each of fiscal years 2005 through 2009.

SEC. 9016. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—Section 9003(j)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by striking “subsection (c) and (d) of this section” and inserting “subsections (c) and (d) of this section”.
(b) in paragraphs (A) and (B) of section 9001.

SEC. 9017. TECHNICAL AMENDMENTS.
The Solid Waste Disposal Act is amended as follows:

(1) Section 9001(4)(A) (42 U.S.C. 6901(4)(A)) is amended by striking “substances” and inserting “substances’.
(2) by striking “$50,000,000 for each of fiscal years 2005 through 2009.” and inserting “$55,000,000 for each of fiscal years 2005 through 2009.”.

SEC. 9018. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

‘‘SEC. 9014. AUTHORIZATION OF APPROPRIATIONS.
There are authorized to be appropriated to the Administrator the following amounts:

(1) Title 17, sections 9003(h), 9005(c), 9010 and 9012 $50,000,000 for each of fiscal years 2005 through 2009."
Subtitle C—Boutique Fuels

SEC. 1541. REDUCING THE PROLIFERATION OF BOUTIQUE FUELS.

(a) TEMPORARY WAIVERS DURING SUPPLY EMERGENCIES.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) is amended by inserting "(ii)" after "(i)" and by adding the following new clause at the end thereof:

"(ii) The Administrator may temporarily waive a control or prohibition respecting the use of a fuel or fuel additive required or regulated by the Administrator pursuant to subsection (c), (h), (i), (k), or (m) of this section or prescribed in an applicable implementation plan under section 110 approved by the Administrator under clause (i) of this subparagraph if, after consultation with, and concurrence by, the Secretary of Energy, the Administrator determines that:

(I) extreme and unusual fuel or fuel additive supply circumstances exist in a State or region of the Nation which prevent the distribution of an adequate supply of the fuel or fuel additive to consumers;

(II) such extreme and unusual fuel and fuel additive supply circumstances are the result of a natural or other event that could not reasonably have been foreseen or prevented and the lack of prudent planning on the part of the fuel or fuel additive suppliers to such State or region; and

(III) it is in the public interest to grant the waiver (for example, when a waiver is necessary to meet projected temporary shortfalls in the supply of the fuel or fuel additive in a State or region of the Nation which cannot otherwise be compensated for).

(b) Repeal.—(II) the waiver is effective for a period of 20 calendar days or, if the Administrator determines that the waiver period is necessary for the shortest practicable time period necessary to permit the correction of the extreme and unusual fuel and fuel additive supply circumstances and to mitigate impact on air quality.

(c) The waiver permits a transitional period, the exact duration of which shall be determined by the Administrator (but which shall be for the shortest practicable period), after the termination of the temporary waiver to permit wholesalers and retailers to blend down their wholesale and retail inventory:

(iv) the waiver applies to all persons in the motor fuel distribution system; and

(v) the Administrator has given public notice to all persons in the motor fuel distribution system, and local and State regulators, in the State or region to be covered by the waiver.

The term ‘motor fuel distribution system’ as used in this clause shall be defined by the Administrator through rulemaking.

(iii) Within 180 days of the date of enactment of this clause, the Administrator shall promulgate regulations to implement clauses (ii) and (iii).

(vi) Nothing in this subparagraph shall—

(I) otherwise affect the application of any other waiver authority of the Administrator pursuant to this section or pursuant to a regulation promulgated pursuant to this section; and

(II) subject any State or person to an enforcement action, penalties, or liability solely arising from actions taken pursuant to the issuance of a waiver under this subparagraph.

(b) LIMIT ON NUMBER OF BOUTIQUE FUELS.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) is further amended by adding at the end the following:

"(VI) Nothing in this clause shall be construed to have any effect regarding any availability of States to require the use of any fuel additive registered in accordance with subsection (b) of this section or required to be registered in accordance with subsection (b) after the enactment of this subsection.

(II) STUDY AND REPORT TO CONGRESS ON BOUTIQUE FUELS.—(I) JOINT STUDY.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall undertake a study of the effects on air quality, on the number of fuel blends, on fuel availability, on fuel fungibility, and on fuel costs of the State plans provisions adopted pursuant to section 110 approved by the Administrator, under part II of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)).

(II) FOCUS OF STUDY.—The primary focus of the study required under paragraph (I) shall be to determine how to develop a system that maximizes motor fuel fungibility and supply, addresses air quality requirements, and reduces motor fuel price volatility including that which resulted from the prohibition of boutique fuels, and to recommend to Congress such legislative changes as are necessary to implement such a system. The study shall include an assessment of impacts on supply, distribution, and use as a result of the legislative changes recommended.

(III) Report to Congress.—In carrying out their joint duties under this section, the Administrator and the Secretary shall use sound science and objective science practices, shall consider the best available science, shall use data collected by accepted means and shall consider and include a description of the weight of the scientific evidence. The Administrator and the Secretary shall coordinate any additional studies required by this section with other studies required by the act.

(c) STUDY AND REPORT TO CONGRESS.—In carrying out the study required by this section, the Administrator shall coordinate obtaining comments from affected parties interested in the air quality impact assessment portion of the study.

(d) DEFINITIONS.—In this section:

(1) the term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

(2) the term ‘fuel’ means gasoline, diesel fuel, and any other liquid petroleum product commercially known as gasoline and diesel fuel for use in highway and nonroad motor vehicles.

(3) the term ‘a control or prohibition respecting any fuel’ means a control or prohibition on the formulation, composition, or emissions characteristics of a fuel that would require the increase or decrease of a constituent in gasoline or diesel fuel.

TITLE XVI—CLIMATE CHANGE

Subtitle A—National Climate Change Technology Development

SEC. 1601. GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGY DEVELOPMENT

(a) DEFINITIONS.—In this section:

(1) ADVISORY COMMITTEE.—The term ‘Advisory Committee’ means the Independent Climate Change Technology Advisory Committee established under subsection (f)(1).
“(2) Carbon Sequestration.—The term ‘carbon sequestration’ means the capture of carbon dioxide through terrestrial, geological, biological, or other means, which prevents the release of carbon dioxide into the atmosphere.

“(3) Committee.—The term ‘Committee’ means the Committee on Climate Change Technology established under subsection (b)(1).

“(a) General Authority.—(1) The Committee, in consultation with the heads of Federal agencies, shall establish a Climate Change Technology Advisory Committee to identify statutory, regulatory, economic, and other barriers to the commercialization and deployment of greenhouse gas intensity reducing technologies and practices in the United States.

“(2) Membership.—The Committee shall be composed of at least 7 members, including—

“(A) the Secretary, who shall chair the Committee;

“(B) the Secretary of Commerce;

“(C) the Chairman of the Council on Environmental Quality;

“(D) the Secretary of Agriculture;

“(E) the Administrator of the Environmental Protection Agency;

“(F) the Secretary of Transportation;

“(G) the Director of the Office of Science and Technology Policy; and

“(H) other representatives as may be determined by the President.

“(3) Staff.—The members of the Committee shall provide such personnel as are necessary to enable the Committee to perform its duties.

“(4) National Climate Change Technology Policy.—(1) In general.—The President, in consultation with the Committee, shall establish a National Climate Change Technology Policy that shall—

“(A) integrate current Federal climate reports and inventory;

“(B) coordinate Federal climate change technology activities and programs carried out in furtherance of the strategy developed under subsection (c) of section 1608(m).

“(2) Membership.—The Committee shall be composed of at least 7 members, including—

“(A) the Secretary, who shall chair the Committee;

“(B) the Secretary of Commerce;

“(C) the Chairman of the Council on Environmental Quality;

“(D) the Director of Agriculture;

“(E) the Administrator of the Environmental Protection Agency;

“(F) the Secretary of Transportation;

“(G) the Director of the Office of Science and Technology Policy; and

“(H) other representatives as may be determined by the President.

“(3) Staff.—The members of the Committee shall provide such personnel as are necessary to enable the Committee to perform its duties.

“(c) Technology Inventory.—The term ‘technology inventory’ means the capture of carbon dioxide through terrestrial, geological, biological, or other means, which prevents the release of carbon dioxide into the atmosphere.

“(d) National Climate Change Technology Policy.—(1) In general.—The President, in consultation with the Committee, shall publish a National Climate Change Technology Policy that shall—

“(A) integrate current Federal climate reports and inventory;

“(B) coordinate Federal climate change technology activities and programs carried out in furtherance of the strategy developed under subsection (c) of section 1608(m).

“(2) Membership.—The Committee shall be composed of at least 7 members, including—

“(A) the Secretary, who shall chair the Committee;

“(B) the Secretary of Commerce;

“(C) the Chairman of the Council on Environmental Quality;

“(D) the Secretary of Agriculture;

“(E) the Administrator of the Environmental Protection Agency;

“(F) the Secretary of Transportation;

“(G) the Director of the Office of Science and Technology Policy; and

“(H) other representatives as may be determined by the President.

“(3) Staff.—The members of the Committee shall provide such personnel as are necessary to enable the Committee to perform its duties.

“(4) National Climate Change Technology Policy.—(1) In general.—The President, in consultation with the Committee, shall establish a National Climate Change Technology Policy that shall—

“(A) integrate current Federal climate reports and inventory;

“(B) coordinate Federal climate change technology activities and programs carried out in furtherance of the strategy developed under subsection (c) of section 1608(m).

“(2) Membership.—The Committee shall be composed of at least 7 members, including—

“(A) the Secretary, who shall chair the Committee;

“(B) the Secretary of Commerce;

“(C) the Chairman of the Council on Environmental Quality;

“(D) the Director of Agriculture;

“(E) the Administrator of the Environmental Protection Agency;

“(F) the Secretary of Transportation;

“(G) the Director of the Office of Science and Technology Policy; and

“(H) other representatives as may be determined by the President.

“(3) Staff.—The members of the Committee shall provide such personnel as are necessary to enable the Committee to perform its duties.

“(b) Authorization of Appropriations.—”

Subtitle B—Climate Change Technology Deployment in Developing Countries

SEC. 161. CLIMATE CHANGE TECHNOLOGY DEPLOYMENT IN DEVELOPING COUNTRIES.

The Global Environmental Protection Assistance Act of 1989 (Pub. L. 101-240; 101 Stat. 2521) is amended by adding at the end the following:

“PART C—TECHNOLOGY DEPLOYMENT IN DEVELOPING COUNTRIES

“SEC. 731. DEFINITIONS.

“In this part:

“(1) Carbon Sequestration.—The term ‘carbon sequestration’ means the capture of carbon dioxide through terrestrial, geological, biological, or other means, which prevents the release of carbon dioxide into the atmosphere.
“(2) GREENHOUSE GAS.—The term ‘greenhouse gas’ means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

“(3) GREENHOUSE GAS INTENSITY.—The term ‘greenhouse gas intensity’ means the ratio of greenhouse gas emissions to economic output.

“SEC. 732. REDUCTION OF GREENHOUSE GAS IN-

“(a) LEGACY.—

“(1) IN GENERAL.—The Department of State shall consult with the Agency for International Development to develop projects to reduce greenhouse gas intensity; and

“(2) REPORTS.—

“(A) INITIAL REPORT.—Not later than 180 days after the date of enactment of this part, the Secretary of State shall submit to the appropriate authorizing and appropriating committees of Congress an initial report, based on the most recent information available to the Secretary from reliable public sources, that identifies the 25 developing countries with the largest greenhouse gas emitters, including for each country—

“(i) an estimate of the quantity and types of energy used;

“(ii) an estimate of the greenhouse gas intensity, of the energy, manufacturing, agricultural, and transportation sectors;

“(iii) the progress of any significant projects undertaken to reduce greenhouse gas intensity;

“(iv) a description of the potential for undertaking projects to reduce greenhouse gas intensity;

“(v) a description of any obstacles to the reduction of greenhouse gas intensity; and

“(vi) a description of the best practices learned by the Agency for International Development from conducting previous pilot and demonstration projects to reduce greenhouse gas intensity.

“(B) UPDATE.—Not later than 18 months after the date on which the initial report is submitted under subparagraph (A), the Secretary shall submit to the appropriate authorizing and appropriating committees of Congress, based on the best information available to the Secretary, an update of the information provided in the initial report.

“(C) USE.—

“(1) INITIAL REPORT.—The Secretary of State shall use the initial report submitted under subparagraph (A) to establish baselines for the developing countries identified in the report with respect to greenhouse gas intensity and information provided under clauses (i) and (ii) of that subparagraph.

“(2) ANNUAL REPORTS.—The Secretary of State shall use the annual reports prepared under paragraph (A) and any other information available to the Secretary to track the progress of the developing countries with respect to reducing greenhouse gas intensity.

“(B) PROJECTS.—The Secretary of State, in coordination with the Administrator of the United States Agency for International Development, shall—

“(i) establish a fund for developing countries specifically for projects to reduce greenhouse gas intensity, including projects to—

“(1) leverage, through bilateral agreements, funds from other greenhouse gas intensity reducing technologies and practices, based on the report submitted under section 732(a)(2)(A);

“(2) identify potential barriers to adoption of greenhouse gas intensity reducing technologies and practices from the United States to the developing countries identified in the report submitted under section 732(a)(2)(A); and

“(3) negotiate with foreign countries for the removal of those barriers.

“(B) ANNUAL REPORT.—Not later than 1 year after the date on which a report is submitted under subsection (a)(1) and annually thereafter, the United States Trade Representative shall submit to Congress a report that describes any progress made with respect to removing the barriers identified by the United States Trade Representative under subsection (a)(1).

“(C) PRIORITY.—In providing assistance under subsection (b), the Secretary of State shall give priority to projects in the 25 developing countries identified in the report submitted under subsection (a)(1) that—

“(1) promote the export of greenhouse gas intensity reducing technologies and practices from the United States;

“(2) identify developing countries that should be designated as priority countries for the purpose of exporting greenhouse gas intensity reducing technologies and practices, based on the report submitted under section 732(a)(2)(A);

“(3) identify potential barriers to adoption of exported greenhouse gas intensity reducing technologies and practices based on the reports submitted under section 734; and

“(4) identify new efforts to export energy technologies to learn best practices.

“(B) COMPOSITION.—The working group shall be composed of—

“(1) the Secretary of State, who shall act as the head of the working group;

“(2) the Administrator of the United States Agency for International Development;

“(3) the United States Trade Representative;

“(4) a designee of the Secretary of Energy;

“(5) a designee of the Secretary of Commerce; and

“(6) a designee of the Administrator of the Environmental Protection Agency.

“SEC. 733. TECHNOLOGY INVENTORY FOR DEVELOPING COUNTRIES.

“(a) IN GENERAL.—The Secretary of Energy, in coordination with the Secretary of Commerce, shall conduct an inventory of greenhouse gas intensity reducing technologies that are developed, or under development, in the United States, to identify technologies that are suitable for transfer to, deployment in, and commercialization in the developing countries identified in the report submitted under section 732(a)(2)(A); and

“(b) REPORT.—Not later than 180 days after the completion of the inventory under subsection (a), the Secretary of State and the Secretary of Energy shall jointly submit to Congress a report that—

“(1) includes the results of the completed inventory;

“(2) identifies obstacles to the transfer, deployment, and commercialization of the inventoried technologies;

“(3) includes reports from previous Federal reports related to the inventoried technologies; and

“(4) includes an analysis of market forces related to the inventoried technologies.

“SEC. 734. TRADE-RELATED BARRIERS TO EXPORT OF GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGIES.

“(a) IN GENERAL.—Not later than 1 year after the date of enactment of this part, the United States Trade Representative shall (as appropriate and consistent with applicable bilateral, regional, and mutual trade agreements)—

“(1) identify trade-relations barriers maintained by foreign countries to the export of greenhouse gas intensity reducing technologies and practices from the United States to the developing countries identified in the report submitted under section 732(a)(2)(A); and

“(2) negotiate with foreign countries for the removal of those barriers.

“(b) ANNUAL REPORT.—Not later than 1 year after the date on which a report is submitted under subsection (a)(1) and annually thereafter, the United States Trade Representative shall submit to Congress a report that describes any progress made with respect to removing the barriers identified by the United States Trade Representative under subsection (a)(1).

“SEC. 735. GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGY EXPORT INITIATIVE.

“(a) IN GENERAL.—There is established an interagency working group to carry out a Greenhouse Gas Intensity Reducing Technology Export Initiative to—

“(1) promote the export of greenhouse gas intensity reducing technologies and practices from the United States;

“(2) identify developing countries that should be designated as priority countries for the purpose of exporting greenhouse gas intensity reducing technologies and practices, based on the report submitted under section 732(a)(2)(A);

“(3) identify potential barriers to adoption of exported greenhouse gas intensity reducing technologies and practices based on the reports submitted under section 734; and

“(4) identify new efforts to export energy technologies to learn best practices.

“SEC. 736. TECHNOLOGY DEMONSTRATION PROJECTS.

“(a) IN GENERAL.—The Secretary of State shall—

“(1) include the results of the completed inventory of greenhouse gas intensity reducing technologies and practices in the Overseas Private Investment Corporation’s portfolio of eligible activities for investing and in coordination with the Secretary of State and the Overseas Private Investment Corporation, shall focus on projects to reduce greenhouse gas intensity, in coordination with the Secretary of State, the Administrator of the United States Agency for International Development, shall promote the adoption of technologies and practices that reduce greenhouse gas intensity in developing countries in accordance with this section;

“(2) submit to the appropriate authorizing and appropriating committees of Congress a report that describes the results of the performance reviews and evaluates progress in promoting the export of greenhouse gas intensity reducing technologies and practices from the United States, including any recommendations for increasing the export of the technologies and practices.

“SEC. 737. FELLOWSHIP AND EXCHANGE PROGRAMS.

“(a) IN GENERAL.—The Secretary of State, in coordination with the Secretary of Energy and the Administrator of the United States Agency for International Development, shall promote the development of projects to reduce greenhouse gas intensity reducing technologies and practices from the United States.

“(b) ELIGIBILITY.—A country shall be eligible for assistance under this subsection if the Secretary of State and the Administrator determine that the country has demonstrated a commitment to—

“(1) just governance, including—

“(i) promoting the rule of law;

“(ii) respecting human and civil rights;

“(iii) protecting private property rights; and

“(iv) combatting corruption; and

“(2) economic freedom, including economic policies that—

“(i) encourage citizens and firms to participate in global trade and international capital markets.

“(B) promote private sector growth and the sustainable management of natural resources; and

“(3) strengthen market forces in the economic sector.

“(C) SELECTION.—In determining which eligible countries to provide assistance to under paragraph (1), the Secretary and the Administrator shall consider—

“(1) the opportunity to reduce greenhouse gas intensity in the eligible country; and

“(2) the opportunity to generate economic growth in the eligible country.

“(D) TYPES OF PROJECTS.—Demonstration projects under this section may include—

“(1) projects that provide assistance for the development and commercialization of technologies and practices from the United States that will reduce greenhouse gas intensity in their countries.

“(2) projects that provide assistance for the establishment of organizations and programs that will reduce greenhouse gas intensity in their countries.

“(E) FELLOWSHIP AND EXCHANGE PROGRAMS.

“The Secretary of State, in coordination with the Secretary of Energy and the Executive Director of the United States Agency for International Development, and the Administrator of the Environmental Protection Agency, shall carry out fellowship and exchange programs under which officials from developing countries visit the United States to acquire expertise and knowledge of best practices to reduce greenhouse gas intensity in their countries.

“SEC. 738. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated such sums as are necessary to carry out this part.

“(c) PERFORMANCE REVIEWS AND REPORTS.—Not later than 180 days after the date of enactment of this part and each year thereafter, the interagency working group shall—

“(1) conduct a periodic review of actions taken and results achieved by the Federal Government (including each of the agencies represented on the interagency working group) to promote the export of greenhouse gas intensity reducing technologies and practices from the United States; and

“(2) submit to the appropriate authorizing and appropriating committees of Congress a report that describes the results of the performance reviews and evaluates progress in promoting the export of greenhouse gas intensity reducing technologies and practices from the United States, including any recommendations for increasing the export of the technologies and practices.
SEC. 1702. TERMS AND CONDITIONS.

(a) In General.—Except for division C of Public Law 104–324, the Secretary shall make guarantees under this section only if (1) an appropriation for the cost of the obligation has been charged, in accordance with section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a), (2) the Secretary has received from the borrower a payment in full for the cost of the obligation and deposited the payment into the Treasury, (3) the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project, and (4) the Secretary determines that the amount of the payment that the Secretary shall receive as payment for the benefit of the borrower which the Secretary deems to be sufficient to carry out the project.

(b) Specific Appropriation or Contribution.—No guarantee shall be made unless—

(1) a specific appropriation is charged, in accordance with section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a); and

(2) the Secretary determines that it is in the public interest to permit the loan agreement to be guaranteed.

(c) Amount.—Unless otherwise provided by law, a guarantee by the Secretary shall not exceed an amount equal to 80 percent of the project cost of the facility that is the subject of the guarantee, as estimated at the time the guarantee is issued.

(d) Payment.—

(I) In General.—No guarantee shall be made unless the Secretary determines that there is reasonable prospect of repayment of the principal and interest on the obligation by the borrower.

(II) Amount.—No guarantee shall be made unless the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project.

(III) The obligation shall be subject to the condition that the obligation is not subordinate to other financing.

(IV) Interest Rate.—An obligation shall bear interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks.

(V) The Secretary shall require full repayment over a period not to exceed the lesser of—

(A) 30 years; or

(B) 90 percent of the expected life of the project.

(B) The Secretary shall not guarantee an obligation unless the Secretary determines that the amount of the payment which the Secretary determines is sufficient to cover applicable administrative expenses.

(c) Availability.—Fees collected under this paragraph shall—

(A) be deposited by the Secretary into the Treasury; and

(B) remain available until expended, subject to such other conditions as are contained in annual appropriations Acts.

(i) Records; Audits.—

(A) In General.—A recipient of a guarantee shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including such records as the Secretary determines to facilitate an effective audit.

(ii) Access.—The Secretary and the Comptroller General of the United States, or their duly authorized representatives, shall have access, for the purpose of audit, to the records and other pertinent documents.

(j) Full Faith and Credit.—The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.
(iv) on which construction commences not later than the date that is 3 years after the date of the issuance of the guarantee; (B) a project to produce energy from coal (of not more than 13,000 Btu/lb and mined in the western United States) using appropriate ad-
vanced integrated gasification combined cycle technology that minimizes and offers the poten-
tial to sequester carbon dioxide emissions and that—  
(i) may include repowering of existing facili-
ties;  
(ii) may be built in stages;  
(iii) shall have a combined output of at least 100 megawatts;  
(iv) shall be located in a western State at an altitude greater than 4,000 feet; and  
(v) shall demonstrate the ability to use coal with an energy content of not more than 9,000 Btu/lb.  
(C) a project located in a lacustrine-producing region of the United States that is entitled under the law of the State in which the plant is located to enter into a long-term contract ap-
proved by a State public utility commission to sell at least 450 megawatts of output to a utility;  
(D) facilities that—  
(i) generate 1 or more hydrogen-rich and car-
ton content accounts for less than 65 percent of the useful energy output of the facility.  
(3) PETROLEUM COKE GASIFICATION PROJECTS.—The Secretary is encouraged to make loan guarantees under this标题 available for pet-
roleum coke gasification projects.  
(4) LIQUEFICATION PROJECT.—Notwithstanding any other provision of law; funds awarded under the clean coal power initiative under sub-
title A of title IV for coal-to-oil liquefaction projects may be used to finance the cost of loan guarantees under such initiatives.  
(a) EMISSION LEVELS.—In addition to any other applicable Federal or State emission limitation requirements, a project shall attain at least—  
(1) total sulfur dioxide emissions in flue gas from the project that do not exceed 0.05 lb/ mm BTU;  
(2) a 50-percent removal rate (including any fuel pretreatment) of mercury from the coal-de-
rived gas, and any other fuel, combusted by the project;  
(3) total nitrogen oxide emissions in the flue gas from the project that do not exceed 0.08 lb/ mm BTU; and  
(4) total particulate emissions in the flue gas from the project that do not exceed 0.1 lb/ mm BTU.  
(b) QUALIFICATION OF FACILITIES RECEIVING TAX CREDITS.—A project that receives tax cred-
its for gasification technology shall not be dis-
qualified from receiving a guarantee under this chapter.  
SEC. 1794. AUTHORIZATION OF APPROPRIATIONS.  
(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to pro-
vide the cost of guarantees under this title.  
(b) USE OF OTHER APPROPRIATED FUNDS.—The Department may use amounts awarded under any other initiative under sub-
title A of title IV to carry out the project de-
scribed in section 1703(c)(1)(C), on the request of the recipient of such award, for a loan guar-
antee, to the extent that the amounts have not yet been disbursed to, or have been repaid by, the recipient.

TITLE XVIII—STUDIES

SEC. 1801. STUDY ON INVENTORY OF PETROLEUM AND NATURAL GAS STORAGE.  
(a) DEFINITION.—For purposes of this section “petroleum” means crude oil, motor gasoline, jet fuel, distillates, and fuels using petroleum as a raw material.  
(b) STUDY.—The Secretary shall conduct a study on petroleum and natural gas storage ca-
pacity and operational inventory levels, nation-
wide and by geographical regions.  
(c) CONTENTS.—The study shall address—  
(1) historical normal ranges for petroleum and natural gas inventory levels;  
(2) historical and projected storage capacity trends;  
(3) estimated operation inventory levels below which outages, delivery slowdown, rationing, interruptions in service, or other indicators of shortage begin to appear;  
(4) explanations for inventory levels dropping below normal ranges; and  
(5) the ability of industry to meet United States demand for petroleum and natural gas without shortages or price spikes, when inven-
try levels are at or below normal ranges.  
(d) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study, including findings and any recommendations for preventing future sup-
ply shortages.

SEC. 1802. STUDY OF ENERGY EFFICIENCY STANDARDS.  
The Secretary shall contract with the Na-
tional Academy of Sciences for a study, to be completed within 1 year after the date of enact-
ment of this Act, to examine whether national energy efficiency standards are best served by 
measurement of energy consumed, and efficiency improvements, at the actual site of en-
erg
cy consumption, or through the full fuel cycle, beginning at the source of energy produc-
tion. The Secretary shall submit the report to Con-
gress.  
SEC. 1803. TELECOMMUTING STUDY.  
(a) STUDY REQUIRED.—The Secretary, in con-
sultation with the Commission, the Director of the Office of Personnel Management, the Ad-
m

ministrator of General Services, and the Admin-
istrator of the Federal Entity Assistance Program, shall submit to Congress a study of the

energy conservation implications of the widespread adoption of telecommuting by Federal employees in the United States.  
(b) REQUIRED SUBPARTS OF STUDY.—The study required by subsection (a) shall analyze the fol-
lo

lowing subjects in relation to the energy saving potential of telecommuting by Federal employ-
es:  
(1) Reductions of energy use and energy costs in commuting and regular office heating, cool-
ing, and other operations.  
(2) Other energy reductions accomplished by telecommuting.  
(3) Existing regulatory barriers that hamper telecommuting, including barriers to broadband telecommunications and access to information, that need to be elimi-
nated for the continued production of these resources;
(6) produce maps and literature to disseminate to States to promote conservation of natural gas reserves; and
(7) evaluate the amount of natural gas that is being wasted as part of the practice of venting or flaring of natural gas produced in association with crude oil well production.

(c) DATA ANALYSIS.—Data development and analysis under this section shall be performed by an institution of higher education with GIS capabilities. If the organization receiving the grant under subsection (a) does not have GIS capabilities, the Secretary shall enter into an arrangement under which the National Academy of Sciences shall conduct a study on the coalbed methane gas production techniques, including ground water aquifers, in the States of Montana, Wyoming, Colorado, New Mexico, North Dakota, and Utah.

(2) REPORT.—The study shall address the effectiveness of—
(A) the management of coal bed methane produced water;
(B) the use of best management practices; and
(C) various production techniques for coal bed methane natural gas in minimizing impacts on water resources.

(b) DATA ANALYSIS.—The study shall analyze available hydrologic, geologic and water quality data, along with—
(1) production techniques, produced water management techniques, best management practices, and other factors that can mitigate effects of coal bed methane development;
(2) the costs associated with mitigation techniques;
(3) effects on surface or ground water resources, including drinking water, associated with the production of coal bed methane;
(4) any other significant effects on surface or ground water resources associated with production of coal bed methane.

(c) D ATA ANALYSIS.—The study shall analyze the effectiveness of current mitigation practices of coal bed methane produced water handling in relation to existing Federal and State laws and regulations, and make recommendations as to changes, if any, to Federal law necessary to address adverse impacts to surface or ground water resources associated with coal bed methane development.

(d) COMPLETION OF STUDY.—The National Academy of Sciences shall submit the findings and recommendations of the study to the Secretary of the Interior and the Administrator of the Environmental Protection Agency within 12 months after the date of enactment of this Act, and shall upon completion make the results of the study available to the public.

(e) REPORT TO CONGRESS.—
(1) INVESTIGATION.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—
(A) the results of the investigation; and
(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—
(A) the results of the evaluation and analysis; and
(B) any recommendations of the National Petroleum Council.

SEC. 1810. ALASKA NATURAL GAS PIPELINE.
Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall conduct an investigation to determine whether the cost of natural gas produced in association with crude oil well production.

(c) DATA ANALYSIS.—Data development and analysis under this section shall be performed by an institution of higher education with GIS capabilities. If the organization receiving the grant under subsection (a) does not have GIS capabilities, the Secretary shall enter into an arrangement under which the National Academy of Sciences shall conduct a study on the coalbed methane gas production techniques, including ground water aquifers, in the States of Montana, Wyoming, Colorado, New Mexico, North Dakota, and Utah.

(2) REPORT.—The study shall address the effectiveness of—
(A) the management of coal bed methane produced water;
(B) the use of best management practices; and
(C) various production techniques for coal bed methane natural gas in minimizing impacts on water resources.

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(1) production techniques, produced water management techniques, best management practices, and other factors that can mitigate effects of coal bed methane development;
(2) the costs associated with mitigation techniques;
(3) effects on surface or ground water resources, including drinking water, associated with the production of coal bed methane;
(4) any other significant effects on surface or ground water resources associated with production of coal bed methane.

(c) D ATA ANALYSIS.—The study shall analyze the effectiveness of current mitigation practices of coal bed methane produced water handling in relation to existing Federal and State laws and regulations, and make recommendations as to changes, if any, to Federal law necessary to address adverse impacts to surface or ground water resources associated with coal bed methane development.

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(e) REPORT TO CONGRESS.—
(1) INVESTIGATION.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—
(A) the results of the investigation; and
(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—
(A) the results of the evaluation and analysis; and
(B) any recommendations of the National Petroleum Council.

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(2) REPORT.—The study shall address the effectiveness of—
(A) the management of coal bed methane produced water;
(B) the use of best management practices; and
(C) various production techniques for coal bed methane natural gas in minimizing impacts on water resources.

(b) DATA ANALYSIS.—The study shall analyze available hydrologic, geologic and water quality data, along with—
(1) production techniques, produced water management techniques, best management practices, and other factors that can mitigate effects of coal bed methane development;
(2) the costs associated with mitigation techniques;
(3) effects on surface or ground water resources, including drinking water, associated with the production of coal bed methane;
(4) any other significant effects on surface or ground water resources associated with production of coal bed methane.

(c) D ATA ANALYSIS.—The study shall analyze the effectiveness of current mitigation practices of coal bed methane produced water handling in relation to existing Federal and State laws and regulations, and make recommendations as to changes, if any, to Federal law necessary to address adverse impacts to surface or ground water resources associated with coal bed methane development.

(d) COMPLETION OF STUDY.—The National Academy of Sciences shall submit the findings and recommendations of the study to the Secretary of the Interior and the Administrator of the Environmental Protection Agency within 12 months after the date of enactment of this Act, and shall upon completion make the results of the study available to the public.

(e) REPORT TO CONGRESS.—
(1) INVESTIGATION.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—
(A) the results of the investigation; and
(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—
(A) the results of the evaluation and analysis; and
(B) any recommendations of the National Petroleum Council.
(5) 1 of whom shall be an employee of the Rural Utilities Service, to be appointed by the Secretary of Agriculture.

(b) STUDY AND REPORT.

(1) STUDY.—The Secretary shall conduct a study of the potential benefits of using mobile transformers and mobile substations to rapidly restore electrical service to areas subjected to blackouts as a result of—

(A) equipment failure;

(B) natural disasters;

(C) acts of terrorism; or

(D) war.

(2) CONSULTATION.—In conducting the study, the Secretary shall consult with—

(A) the Director of the National Center for Disaster Prevention and Mitigation;

(B) the Federal Energy Regulatory Commission; and

(C) experts in natural gas supply and demand.

(c) REPORT.

(1) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report that includes—

(A) a comprehensive analysis of the likely effects of a transition to a hydrogen economy on overall employment and the growth of domestic natural gas-dependent industries; and

(B) recommendations for Federal actions to achieve the purposes described in paragraph (b), including recommendations that—

(i) encourage or require the use of energy sources other than natural gas, including coal, nuclear, and renewable sources;

(ii) encourage or require the use of energy conservation or demand side management practices; and

(iii) improve access to domestic natural gas supplies.

(2) PUBLIC HEARINGS.—In preparing the report under subsection (a), the Secretary shall consult with—

(A) representatives of—

(i) the electric utility industry;

(ii) wholesale and retail market for electric energy and related services;

(iii) the natural gas industry and natural gas suppliers; and

(iv) Federal, State, and local governments; and

(B) representatives of—

(i) experts in natural gas supply and demand;

(ii) consumer and other organizations.

(3) ANNUAL REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing—

(A) the results of the study; and

(B) information relating to the public comments received under paragraph (2).

(c) STUDY OF DISTRIBUTED GENERATION.

(1) STUDY.—Not later than 60 days after the date of enactment of this Act, the Secretary shall submit to Congress a report on the potential benefits of cogeneration and small power production.

(2) REPORT.—Not later than 12 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study under subsection (a).

(d) STUDY OF DISTRIBUTED GENERATION.

(1) STUDY.—Not later than 1 year after the date of enactment of this Act, the Secretary shall conduct a study of the potential benefits of cogeneration and small power production.

(2) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study under subsection (a).

(Sec. 1816. STUDY OF RAPID ELECTRICAL GRID RESTORATION.)

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of the feasibility of using mobile transformers and mobile substations to rapidly restore electrical service to areas subjected to blackouts as a result of—

(A) equipment failure;

(B) natural disasters;

(C) acts of terrorism; or

(D) war.

(2) CONSULTATION.—In conducting the study, the Secretary shall consult with—

(A) the Director of the National Center for Disaster Prevention and Mitigation;

(B) the Federal Energy Regulatory Commission; and

(C) experts in natural gas supply and demand.

(b) REPORT.

(1) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report on natural gas supplies and demand.

(2) PUBLIC HEARINGS.—In preparing the report under subsection (a), the Secretary shall consult with—

(A) representatives of—

(i) experts in natural gas supply and demand; and

(ii) consumer and other organizations.

(c) STUDY OF NATURAL GAS SUPPLY SHORTAGE REPORT.

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report on natural gas supplies and demand.

(2) PURPOSE.—The purpose of the report under subsection (a) is to develop recommendations for achieving a balance between natural gas supply and demand in order to—

(A) provide residential consumers with natural gas at reasonable and stable prices;

(B) accommodate long-term maintenance and growth of domestic natural gas-dependent industrial, manufacturing, and commercial enterprises;

(C) facilitate the attainment of national ambient air quality standards under the Clean Air Act (42 U.S.C. 7401 et seq.);

(D) achieve cost savings to Congress by reducing the emissions associated with electric power generation; and

(E) support the development of the preliminary phases of hydrogen-based energy technologies.

(d) COMPREHENSIVE ANALYSIS.—The report shall include a comprehensive analysis of the potential benefits of using mobile transformers and mobile substations to rapidly restore electrical service.

(e) HEARINGS.—In preparing the report under subsection (a), the Secretary shall hold public hearings and provide other opportunities for public comment, as the Secretary considers appropriate.

(Sec. 1819. HYDROGEN PARTICIPATION STUDY.

Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report evaluating methodologies to ensure the widest participation practicable in setting goals and milestones under the hydrogen program of the Department, including international participants.

(Sec. 1820. OVERALL EMPLOYMENT IN A HYDROGEN ECONOMY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall carry out a study of the likely effects of a transition to a hydrogen economy on overall employment in the United States.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the findings, conclusions, and recommendations of the study.

(Sec. 1821. STUDY OF BEST MANAGEMENT PRACTICES FOR ENERGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Public Administration under which the
Academy shall conduct a study to assess management practices for research, development, and demonstration programs at the Department. (b) SCOPE OF THE STUDY.—The study shall consider—
(1) management practices that act as barriers between the Office of Science and offices conducting mission-oriented research;
(2) the feasibility of management practices that would improve coordination and bridge the innovation gap between the Office of Science and offices conducting mission-oriented research;
(3) the applicability of the management practices used by the Department of Defense Advanced Research Projects Agency to research programs in the Department of Energy; and
(4) the advisability of creating an agency within the Department modeled after the Department of Defense Advanced Research Projects Agency.
SEC. 1825. RECOMMENDATIONS FOR MANAGEMENT PRACTICES THAT COULD IMPROVE INNOVATION.
(1) recommendations for management practices that could best encourage innovative research and efficiency at the Department; and
(2) any other relevant considerations.
(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report on the study conducted under this section.

SEC. 1822. EFFECT OF ELECTRICAL CONTAMINANTS ON RELIABILITY OF ENERGY SYSTEMS.
Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences under which the National Academy of Sciences shall determine the effect that electrical contaminants (such as tin whiskers) may have on the reliability of energy production systems, including nuclear energy.

SEC. 1821. ALTERNATIVE FUels REPORTS.
(a) In General.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress reports on the potential for each of biodiesel and hythane to become major, sustainable, alternative fuels.
(b) Biodiesel Report.—The report relating to biodiesel submitted under subsection (a) shall—
(1) provide a detailed assessment of—
(A) potential biodiesel markets and manufacturing capacity; and
(B) environmental and energy security benefits with respect to the use of biodiesel;
(2) identify any impediments, especially in infrastructure needed for production, distribution, and storage, to biodiesel becoming a substantial source of fuel for conventional diesel and heating oil applications;
(3) identify strategies to enhance the commercial deployment of biodiesel; and
(4) make suggestions and recommendations, as appropriate, of the ways in which biodiesel may be modified to be a cleaner-burning fuel.

SEC. 1823. HYThANE REPORT.
(a) HYThANE Report.—The report relating to hythane submitted under subsection (a) shall—
(1) provide a detailed assessment of potential hythane markets and the research and development necessary to facilitate the commercialization of hythane as a competitive, environmentally friendly transportation fuel;
(2) address—
(A) the infrastructure necessary to produce, blend, distribute, and store hythane for widespread commercial purposes; and
(B) other potential market barriers to the commercialization of hythane;
(3) examine the viability of producing hydrogen using energy-efficient, environmentally friendly methods so that the hydrogen can be blended with natural gas to produce hythane; and
(4) include an assessment of the modifications that would be required to convert compressed natural gas vehicle engines to engines that use hythane as fuel.

SEC. 1824. FINAL ACTION ON REFRIGERATION AND OTHER PASSIVE CHARGES.
FERC shall—
(1) seek to conclude its investigation into the unjust or unreasonable charges incurred by California during the 2000–2001 electricity crisis as soon as possible; and
(2) seek to ensure that refunds are made to the State of California.

SEC. 1825. FUEL CELL AND HYTHANE TECHNOLOGY STUDY.
(a) In General.—As soon as practicable after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences and the National Research Council to carry out a study of fuel cell technologies that provides a budget roadmap for the development of fuel cell technologies and the transition from petroleum to hydrogen in a significant percentage of vehicles sold by 2020.
(b) REQUIREMENTS.—In carrying out the study, the National Academy of Sciences and the National Research Council shall—
(1) establish a budget roadmap for the development of vehicles that the National Academy of Sciences and the National Research Council determines can be fueled by hydrogen by 2020;
(2) determine the amount of Federal and private funding required to meet the goal established under paragraph (1);
(3) determine whether actions are required to meet the goal established under paragraph (1);
(4) examine the need for expanded and enhanced Federal research and development programs, changes in regulations, grant programs, partnerships between the Federal Government and industry, private sector investments, infrastructure investments by the Federal Government and industry, educational and public information initiatives, and Federal and State tax incentives to meet the goal established under paragraph (1);
(5) consider whether other technologies would be less expensive or could be more quickly implemented than fuel cell technologies to achieve significant reductions in carbon dioxide emissions; and
(6) take into account any reports relating to fuel cell technologies and hydrogen-fueled vehicles, including—
(A) the report prepared by the National Academy of Engineering and the National Research Council in 2004 entitled "Hydrogen Economy: Opportunities, Costs, Barriers, and R&D Needs"; and
(B) the report prepared by the U.S. Fuel Cell Council in 2004 entitled "Hydrogen: The Path Forward".

SEC. 1827. STUDY OF LINK BETWEEN ENERGY SECURITY AND INCREASES IN VEHICLE MILES TRAVELED.
(a) In General.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Secretary shall conduct a study to assess the implications on energy use and efficiency of land development patterns in the United States.
(b) SCOPE.—The study shall consider—
(1) the correlation, if any, between land development patterns and increases in vehicle miles traveled; and
(2) whether petroleum use in the transportation sector can be reduced through changes in the design of development patterns;
(c) RESEARCH.—The National Academy of Sciences shall determine the effect that electrical contaminants (such as tin whiskers) may have on the reliability of energy production systems, including nuclear energy.
SEC. 1829. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

(a) IN GENERAL.—The Architect of the Capitol, as part of the process of updating the Master Plan Study for the Capitol complex, shall—

(1) carry out a study to evaluate the energy infrastructure of the Capitol complex to determine how to augment the infrastructure to become more energy efficient—

(A) by using unconventional and renewable energy sources;

(B) by—

(i) incorporating new technologies to implement effective green building solutions;

(ii) adopting water-based building management systems; and

(iii) recommending strategies based on end-user behavioral changes to implement low-cost environmental measures;

(C) in a manner that would enable the Capitol complex to have reliable utility service in the event of power fluctuations, shortages, or outages; and

(2) carry out a study to explore the feasibility of installing energy and water conservation measures on the roof of the Dirksen Senate Office Building, including the area directly above the food service facilities in the center of the building, including the installation of—

(A) a vegetative covering area, using native species to the maximum extent practicable, to—

(i) insulate and increase the energy efficiency of the building;

(ii) reduce precipitation runoff and conserve water for landscaping or other uses; or

(iii) increase, and provide more efficient use of, available outdoor space through management of the rooftop of the center of the building; as a park or garden area for occupants of the building; and

(iv) improve the aesthetics of the building; and

(B) onsite renewable energy and other state-of-the-art technologies to—

(i) increase the energy efficiency and energy security of the building or the Capitol complex by providing additional or backup sources of energy in the event of a power shortage or other emergency;

(ii) reduce the use of resources by the building; or

(iii) enhance worker productivity; and

(C) not later than 180 days after the date of enactment of this Act, submit to Congress a report describing the findings and recommendations of the study under subparagraph (B).

(b) OF APPROPRIATIONS.—There is authorized to be appropriated to the Architect of the Capitol to carry out this section $2,000,000 for each of fiscal years 2006 through 2010.

SEC. 1830. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) IN GENERAL.—The Secretary shall enter into an agreement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers in the mining, energy, and other industries; and the energy and mineral security requirements of the United States.

(b) INCLUSIONS.—The study shall include an analysis of—

(1) the need for and availability of workers for the oil, gas, and mineral industries; and

(2) the availability of skilled labor at both entry level and more senior levels; and

(3) recommendations for future actions needed to meet future labor requirements.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

SEC. 1831. REVIEW OF ENERGY POLICY ACT OF 1992 PROGRAMS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall complete a study to determine the effect that titles III, IV, and V of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.) have had on—

(1) the development of alternative fueled vehicle technologies;

(2) the availability of that technology in the market; and

(3) the cost of alternative fueled vehicles.

(b) TOPICS.—As part of the study under subsection (a), the Secretary shall specifically identify—

(1) the number of alternative fueled vehicles acquired by fleets or covered persons required to acquire alternative fueled vehicles;

(2) the quantity, by type, of alternative fuel actually used in alternative fueled vehicles acquired by fleets or covered persons;

(3) the quantity of petroleum displaced by the use of alternative fueled vehicles acquired by fleets or covered persons;

(4) the direct and indirect costs of compliance with requirements under titles III, IV, and V of the Energy Policy Act for legislative or administrative expenses;

(A) vehicle acquisition requirements imposed on fleets or covered persons;

(B) administrative and recordkeeping expenses;

(C) fuel and fuel infrastructure costs;

(D) associated training and employee expenses; and

(E) any other factors or expenses the Secretary determines are relevant to determining reasonable estimates of the overall costs and benefits of complying with programs under those titles for fleets, covered persons, and the national economy;

(5) the existence of obstacles preventing compliance with vehicle acquisition requirements and increased use of alternative fuel in alternative fueled vehicles acquired by fleets or covered persons; and


(c) REPORT.—The report shall include each of the following:

(1) The identifications, descriptions, and estimates referred to in subsection (b).

(2) A description of activities currently conducted or considered, or that could be considered, to produce additional hydroelectric power from each identified facility.

(3) A summary of prior actions taken by the Secretaries to produce additional hydroelectric power from each identified facility.

(4) The costs to install, upgrade, or modify equipment or take other actions to produce additional hydroelectric power from each identified facility.

(5) Any additional recommendations to increase the ability of nonutility power generators to offer their energy at the lowest cost to reliably serve customers, recognizing any operational limits of generation and transmission facilities.

(6) Any additional recommendations to increase the ability of nonutility generation resources to offer their energy at the lowest cost to reliably serve customers, recognizing any operational limits of generation and transmission facilities.

(d) Definitions.—In this section—

(1) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of the Interior, or the Secretary’s delegate.

(2) FLEET.—The term ‘‘fleets’’ means any state, local, or regional government, business, or organization that is subject to the requirements in title III, IV, and V of the Energy Policy Act.

(3) COVERED PERSON.—The term ‘‘covered person’’ means any person that is subject to the requirements in title III, IV, and V of the Energy Policy Act.

SEC. 1832. STUDY ON THE BENEFITS OF ECONOMIC DISPATCH.

(a) STUDY.—The Secretary, in coordination and consultation with the States, shall conduct a study on—

(1) the procedures currently used by electric utilities to provide dispatchable generation; and

(2) identifying possible revisions to those procedures to improve the ability of nonutility generation resources to offer their output for sale for the purpose of inclusion in economic dispatch; and

(3) the potential benefits to residential, commercial, and industrial electricity consumers nation-wide and in the District of Columbia if economic dispatch procedures were revised to improve the ability of nonutility generation resources to offer their output for inclusion in economic dispatch.

(b) REPORT.—The report shall include—

(i) a description of the existing potential for the facility to generate hydroelectric power; and

(ii) administrative and recordkeeping expenses.

SEC. 1833. RENEWABLE ENERGY ON FEDERAL AND PRIVATE PROPERTY.

(a) NATIONAL ACADEMY OF SCIENCES STUDY.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall enter into a contract with the National Academy of Sciences under which the National Academy of Sciences shall—

(1) study the potential of developing wind, solar, and ocean energy resources (including tidal, wave, and thermal energy) on Federal land available for those uses under current law and the outer Continental Shelf; and

(2) assess any Federal law (including regulations) relating to the development of those resources that is in existence on the date of enactment of this Act; and

(3) recommend statutory and regulatory mechanisms for developing those resources.

(b) SUBMISSION TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress the results of the study under subsection (a).

SEC. 1834. INCREASED HYDROELECTRIC GENERATION AT EXISTING FEDERAL FACILITIES.

(a) IN GENERAL.—The Secretary of the Interior, the Secretary, and the Secretary of the Army shall jointly conduct a study of the potential for increasing electric power production capacity at federally owned or operated water regulation, storage, and conveyance facilities.

(b) CONTENT.—The study shall include identification and description in detail of each facility that has water, or could have water, without modification, of producing additional hydroelectric power, including estimation of the existing potential for the facility to generate hydroelectric power.

(c) REPORT.—The Secretary shall submit to the Committees on Energy and Commerce, Resources, and Transportation and Infrastructure of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the findings, conclusions, recommendations of the study under this section by not later than 18 months after the date of the enactment of this Act. The report shall include each of the following:

(1) The identifications, descriptions, and estimates referred to in subsection (b).

(2) A description of activities currently conducted or considered, or that could be considered, to produce additional hydroelectric power from each identified facility.

(3) A summary of prior actions taken by the Secretaries to produce additional hydroelectric power from each identified facility.

(4) The procedures currently used by electric utilities to provide dispatchable generation.

(5) The potential benefits to residential, commercial, and industrial electricity consumers nation-wide and in the District of Columbia if economic dispatch procedures were revised to improve the ability of nonutility generation resources to offer their output for inclusion in economic dispatch.

(6) Any additional recommendations to increase the ability of nonutility generation resources to offer their output for sale for the purpose of inclusion in economic dispatch; and

(7) Any additional recommendations to increase the ability of nonutility generation resources to offer their output for sale for the purpose of inclusion in economic dispatch.

(d) Definitions.—In this section—

(1) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of the Interior, or the Secretary’s delegate.

(2) FLEET.—The term ‘‘fleets’’ means any state, local, or regional government, business, or organization that is subject to the requirements in title III, IV, and V of the Energy Policy Act.

(3) COVERED PERSON.—The term ‘‘covered person’’ means any person that is subject to the requirements in title III, IV, and V of the Energy Policy Act.
Interior shall undertake a review of the current policies and practices with respect to management of Federal subsurface oil and gas development activities and their effects on the privately owned surface estate as follows:

1. A comparison of the rights and responsibilities under existing mineral and land law for the owner of a Federal mineral lease, the private surface estate owner, and the Federal Government; and
2. A comparison of the surface owner consent provisions in section 714 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1304) concerning surface mining of Federal coal deposits and the surface owner consent provisions for oil and gas development, including coalbed methane; and
3. Recommendations for administrative or legislative action necessary to facilitate reasonable access for Federal oil and gas activities while addressing surface owner concerns and minimizing impacts to private surface.

(b) Report.—The Secretary of the Interior shall report the results of such review to Congress not later than 180 days after the date of enactment of this Act.

SEC. 1836. RESOLUTION OF FEDERAL RESOURCE DEPLOYMENT CONFLICTS IN THE POWDER RIVER BASIN.

(a) Review.—The Secretary of the Interior shall review Federal and State laws in existence on the date of enactment of this Act in order to resolve any conflict relating to the Powder River Basin in Wyoming and Montana between—

1. The development of Federal coal; and

(b) Report.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a report that—

1. Describes methods of resolving a conflict described in subsection (a); and
2. Identifies a method preferred by the Secretary of the Interior, including proposed legislative language, if any, required to implement the recommendations.

SEC. 1837. NATIONAL SECURITY REVIEW OF INTERNATIONAL ENERGY REQUIREMENTS.

(a) Study.—The Secretary, in consultation with the Secretary of Defense and the Secretary of Homeland Security, shall conduct a study of the growing energy requirements of the People’s Republic of China and the implications of such growth on the political, strategic, economic, or national security interests of the United States, including—

1. An assessment of the type, nationality, and location of energy assets that have been sought for investment by entities located in the People’s Republic of China;
2. An assessment of the extent to which investment in energy assets by entities located in the People’s Republic of China has been on market-based terms and free from subsidies from the People’s Republic of China;
3. An assessment of the effect of investment in energy assets by entities located in the People’s Republic of China on the control by the United States of dual-use and export-controlled technologies, including the effect on current and future export control and domestic security laws of rare earth elements used to produce such technologies;
5. An assessment of the impact on the world energy market of the common practice of entities located in the People’s Republic of China of removing the energy assets owned or controlled by such entities from the competitive market, with emphasis on the effect if such practice expands along with the growth in energy consumption of the People’s Republic of China;
6. An examination of the United States energy policy and foreign policy as it relates to ensuring a competitive global energy market; and
7. An examination of the relationship between the United States and the People’s Republic of China as it relates to pursuing energy interests in a manner that avoids conflicts; and
8. An examination of the appropriate laws and regulations of other nations to determine whether a United States company would be permitted to purchase, acquire, merge, or otherwise establish an enterprise with an entity whose primary place of business is in that other nation, including the laws and regulations of the People’s Republic of China.

(b) Report and Recommendations.—Not later than 120 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense, shall report to the President on the findings of the study described in subsection (a) and any recommendations the Secretaries consider appropriate.

(c) Regulatory Effect.—Notwithstanding any other provision of law, any instrumentality of the United States vested with authority to review a transaction that includes an investment in a United States domestic corporation may not conclude a national security review related to an investment in the energy assets of a United States domestic corporation by an entity owned or controlled by the Government of the People’s Republic of China for 21 days after the report to the President and the Congress, and until the President certifies that has received the report described in subsection (b).

SEC. 1838. USED OIL RE-FRINING STUDY.

The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall undertake a study of the energy and environmental benefits of the re-refining of used lubricating oil and report to Congress within 90 days after enactment of this Act including recommendations the Secretaries consider appropriate.

SEC. 1839. TRANSMISSION SYSTEM MONITORING.

Within 6 months after the date of enactment of this Act, the Secretary and the Federal Energy Regulatory Commission shall study and report to Congress on the steps which must be taken to establish a system to make available to all transmission system owners and Regional Transmission Organizations (as defined in the Federal Power Act) within the Eastern and Western interconnections information on the functional status of all transmission lines within such interconnections. In such study, the Commission shall determine the technical means for implementing such transmission information system and identify the steps the Commission or Congress must take to require the implementation of such system.

SEC. 1840. REPORT IDENTIFYING AND DESCRIBING THE STATUS OF POTENTIAL HYDROPOWER FACILITIES.

(a) Report Required.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Bureau of Reclamation, shall submit to the President and the Congress a report to Congress on the steps which must be taken to establish a system to make available to all transmission system owners and Regional Transmission Organizations (as defined in the Federal Power Act) within the Eastern and Western interconnections information on the functional status of all transmission lines within such interconnections. In such study, the Commission shall determine the technical means for implementing such transmission information system and identify the steps the Commission or Congress must take to require the implementation of such system.

(b) Report Contents.—The report shall in—

1. Identification of all surface storage projects identified under the Reclamation Project Act of 1939 (4 U.S.C. 485 et seq.).
2. The purposes of each project included within each study identified under paragraph (1).
3. The status of each study identified under paragraph (1), including for each study—

(A) whether the study is completed or, if not completed, still authorized;

(B) the level of analyses conducted at the feasibility and reconnaissance levels of review;

(C) the extent to which the Secretary of the Interior, acting through the Bureau of Reclamation, and the Secretary of the Interior, acting through the Bureau of Land Management, have reviewed the appropriate impacts of each project included in the study, including to fish and wildlife, water quality, and recreation;

(D) projected water yield from each such project;

(E) beneficiaries of each such project;

(F) the amount authorized and expended;

(G) projected funding needs and timelines for completing the study (if applicable);

(H) anticipated costs of each such project; and

(i) other factors that might interfere with construction of any such project.

(4) An identification of potential hydroelectric facilities that might be developed pursuant to each study identified under paragraph (1).

(5) Applicable costs and benefits associated with potential hydroelectric production pursuant to each study.

And the Senate agree to the same.

Richard Pombo,
Barbara Cubin,
Nick Rahall.

From the Committee on Rules, for consideration of sec. 713 of the Senate amendment, and modifications committed to conference:

David Dreier,
Lincoln Diaz-Balart,
Louise Slaughter.


Sherwood Boehlert,
Judy Biggert,
Bart Gordon.

Jerry F. Costello, in lieu of Mr. Gordon for consideration of secs. 401–404, 411, 416, and 441 of the House bill, and secs. 401–407 and 415 of the Senate amendment, and modifications committed to conference:

Jersey F. Costello,

Don Young,
Tom Petri.

From the Committee on Ways and Means, for consideration of Title XII of the House bill, and secs. 135, 465, Title XV, and sec. 1611 of the Senate amendment, and modifications committed to conference:

William Thomas,
Dave Camp.

Managers on the Part of the House.

Managers on the Part of the Senate.

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DON YOUNG,

From the Committee on Ways and Means, for consideration of Title XIII of the House bill, and secs. 135, 405, Title XV, and sec. 1611 of the Senate amendment, and modifications committed to conference:

WILLIAM THOMAS,

MANAGERS ON THE PART OF THE HOUSE,

PETE DOMENICI,

LARRY E. CRAIG,

Managers on the Part of the Senate.
The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. STEVENS].

PRAYER
The Chaplain, Dr. Barry C. Black, offered the following prayer:
Let us pray.
Eternal God, You have challenged us to become like children in order to enter Your kingdom. Today give us a child’s trust, that we may find joy in Your guidance. Give us a child’s wonder, that we may never take for granted the Earth’s beauty and the sky’s glory. Give us a child’s love, that we may find our greatest joy in being close to You. Give us a child’s humility, that we will trust Your wisdom to order our steps.

Guide our Senators and those who support them through the challenges of this day. As they look to You for wisdom, supply their needs according to Your infinite riches.

We pray in Your righteous Name. Amen.

PLEDGE OF ALLEGIANCE
The President pro tempore led the Pledge of Allegiance, as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME
The President pro tempore. Under the previous order, the leadership time is reserved.

PROTECTION OF LAWFUL COMMERCE IN ARMS ACT—MOTION TO PROCEED
The President pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 397, which the clerk will report.

The legislative clerk read as follows:
A bill (S. 397) to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

The President pro tempore. Under the previous order, the time from 10 to 2 p.m. shall be equally divided, with the majority in control of the first hour and the Democrats in control of the second hour, rotating in that fashion until 2 p.m.

RECOGNITION OF THE MAJORITY LEADER
The President pro tempore. The majority leader is recognized.

Mr. Frist. Mr. President, this morning we are returning to the motion to proceed to the Protection of Lawful Commerce in Arms Act, otherwise known as the gun manufacturers liability legislation. Yesterday we invoked cloture on the motion to proceed. We now have an order to begin the bill at 2 p.m. today. The debate will be equally divided until 2 o’clock today. I understand a rollover vote will not be necessary, and we will have a voice vote at 2 p.m. and then be on the bill.

Senators can expect a cloture vote on the underlying bill to occur on Friday, unless we change that time by consent. As I stated repeatedly over the last several days, we are going to have a very busy session as we address a range of issues, including energy and highways and the Interior funding bill, the gun manufacturers liability bill, veterans funding, nominations, and other issues.

Just a quick update on several of these. In terms of the Energy bill, after 5 years of hard work, the energy conferees are now done. I expect that that legislation will be filed shortly. This is a major accomplishment that will cause serious and dramatic changes in how we produce, deliver, and consume energy. We simply would not be at this point without the hard work, the perseverance, and the patience of Senator Domenici and his partner, Senator Bingaman, as well as Congressman Barton. We will pass that conference report this week. Our country will be all the better for it.

I was talking to the Secretary of Energy earlier this morning. We were discussing the absolute importance of passing this bill to establish a framework of policy from this legislative body. He again referred to the great good this bill will do.

On highways, it has taken this Congress 3 tough years of work to come to this point, but with just a little more work, we will have a bill that the President will sign. Our conferees are working and should complete the writing of it today. I spent time with several of the conferees yesterday and with the Speaker, as we coordinate completion of this highway bill.

The good news for the American people is, as they see what is sometimes confusing on the floor of the Senate as these bills come in, this particular highway bill will make our streets and our highways safer. It will make our economy more productive. It will create many new jobs.

I mentioned veterans funding. Yesterday, the House and Senate majority agreed to ensure that $1.5 billion of needed funding will be given to the Department of Veterans Affairs this fiscal year. Veterans can be assured that their health care will remain funded. I know it is confusing what you hear on the floor, but that action is being taken.

I mentioned Interior funding. Yesterday both Houses agreed to fund many of the programs that affect many of our public lands held in trust for Americans throughout the country. We intend to complete action on this conference report this week as well.

Late last night, the conferees completed work on the Legislative Branch appropriations bill, and we will be attempting to clear that legislation as well this week.

This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
I mentioned all these to give my colleagues an update because there is so much activity going on right now, in addition to the very important legislation that is on the floor.

After several months of aggressive work, we can now look back and say that we have brought the Cabinet full strength for the President's second term in effect. We have accomplished very important class action legislation, after years and years and years of delay. We finished bankruptcy reform, which we have worked on in the Congress, both Houses, since the late 1990s. We completed writing one of the fastest budgets in congressional history with the goal, which we might add, of accomplishing, of pushing down the deficit, keeping our economy growing, and creating jobs, funding our efforts to confront the terrorist threat overseas, confirming, after what was tough for us all, many of the judicial nominees that have been held up for years. All of that is what we have done.

Now we have the opportunity over the next 3 to 4 days of completing action on very necessary, very important bills which I have mentioned—bills that will make a real difference in the everyday lives of Americans. We are talking about funding for health care, veterans, highways, and energy. We are demonstrating governing with meaningful solutions to everyday problems of Americans.

These bills will affect people's lives directly, will create opportunities for new jobs, help people to fulfill the American dream they might have, as well as address critical national needs. By the time we get to the recess—I mention that because we have a long recess. A recess is the time that we can use to go back and be with our constituents. We do have a long recess in August. I say that to preface how important it is that we complete all of our work this week. The American people expect us to complete action on the items mentioned. There is a tendency to think the recess is going to start maybe a day early. It certainly looks like, because we are going to be so busy, that we will be working through Friday of this week. I will be in constant consultation with the Democratic leadership. We will have the opportunity to talk several times throughout the day.

At this point, we cannot rule out a Saturday session, if it is absolutely necessary, but that is not a detail I care passionately about, an issue that most, if not all Americans, care about, and that is health care.

As I travel around the country, in part because I am a physician but in larger part because of the reality of the problem, the cost of health care, as well as the safety and quality of health care, is among the first and foremost issues on the minds of American people. They want us to lower the cost. You do that by improving quality and getting rid of waste, and we are doing just that.

I am pleased to report that after years of challenging work, difficult work, and a lot of negotiation among ourselves on both sides of the aisle, the House is expected to join the Senate in passing a bill called the Patient Safety and Quality Improvement Act. I am hopeful they will pass that bill today. We passed it not too long ago. I mention it because it focuses on getting waste out of the system, and it does so by putting the emphasis on patients.

A patient-centered system is what I strongly believe we need to move to in the future. This does just that. Patient safety is something that concerns me. We have an obligation, as physicians, as nurses, as the health care sector, but also as a public policy body, to make sure that patient safety is maximized. People say: How do we do it? But if you look back at the Institute of Medicine's report not too long ago that really started a lot of this debate, they estimated that up to 98,000 deaths are caused each year by medical errors. That would mean that of the 75,000 deaths that are occurring every day in hospitals and clinics, and even at home when people are taking medicines, the eighth leading cause of death each year. That is more than car accidents, HIV/AIDS, or breast cancer. People dispute the number. Is it 98,000? Is it 125,000? Is it 75,000? The exact number doesn't matter. The fact that there are thousands and thousands of needless deaths being caused is inexcusable. This body has acted. The House will act. And I am hopeful the President will be able to sign that important legislation in the next several days.

What is so obvious to me as a physician, having spent 20 years in the medical arena, every day in the healing profession, is that the tragedy of all these deaths is compounded by the fact that these deaths and the many errors that result in prolonged hospitalization, more misery, greater cost, can be prevented, can be prevented, can be prevented. Simple reporting procedures, sharing of information, improved technology, a systems approach—all can reduce these preventable errors, and thereby improve hundreds of thousands of lives and actually save tens of thousands of lives.

So people ask, What is the problem? The fear of litigation has kept many health care providers—doctors, nurses, and lab technicians in the hospitals—from sharing information if a mistake is inadvertently made. Everybody makes mistakes, but if you have a mistake that is made, you need to be able to share it with people so you can develop a system to keep it from happening in the future. We all do that in our everyday lives.

For example, in hospitals, there is a tendency not to do that because if you share your mistake, there is a predatory trial lawyer who will swoop in and find that error and take you to court and destroy you and the system. It is human nature to say, if that is the case, Yes, I made a mistake, I will immunize the system because it will destroy my future. People are afraid of sharing their internal data, such as their collection of reporting of infections that could have been prevented with preventable techniques or a medical error that might expose them to a ruinous lawsuit. That drives the reporting of these medical errors underground.

The bill will change all of that, and it will lift this threat of litigation and adequately protect in the aviation system, doctors, nurses, and other health care professionals to share information and to develop effective solutions to and to develop effective systems whereby those mistakes will never occur again. That is the strong point of this patient safety bill will improve lives but also save lives of tens of thousands of people.

This type of nonpunitive reporting isn't new. I began flying small planes fairly young, when I was a teenager. Over the years, I have watched how self-reporting in that field has revolutionized safety in general aviation, private aviation, and in the airline industry as well. In 1975, I had been flying for 7 years. We were flying under the same kind of benefits, in parallel, that we have today because it was a big deal at the time. Similar to what we are doing now with the patient safety bill, the FAA established a system called the Aviation Safety Reporting System. It encourages everyone in the aviation system—mechanics, pilots, air traffic controllers, flight attendants, and the general public—to voluntarily report—I remember the blue cards you reported on—potential or actual safety problems and you could do so without fear of retribution.

That is why this voluntary aspect is so important. Because that information in the aviation field was shared internally and with others, accidents went down and overall safety went up dramatically. Everyone improved. Quality improved and safety improved by learning from others.

The patient safety bill that is before the House of Representatives today—the same bill that passed in this body last Thursday—promises exactly the same kind of benefits, in parallel, that were passed in 1975, and this is 2005, 30 years later than it should have been. Everyone providing services in the hospital and the patients and physicians and other health professionals will be able to share this information about their practices with independent PSOs, or patient safety organizations, without the fear of lawsuits, and this transparency will improve quality.

America has the absolute best health care in the world. I have seen it by
doing heart transplants, using the best of lasers to resect tumors out of the trachea or windpipe, and with developing ventricular assist devices. I was in Tanzania some weeks ago working at a small clinic out in the bush, and when you have a sick African child, you have the most advanced health care in the world, with new treatments and techniques, improving millions of lives every day.

Through this bill, we are putting that same sort of American ingenuity to work, improving patient safety in hospitals and clinics and thus getting rid of waste and improving the overall quality of care. This bill is a major step forward to making health care safer and less costly, driving up the quality, driving down costs, and getting out the waste.

I can tell you, this is the first major health bill in this Congress. But I hope in the very near future we will pass other important legislation we are working on in a similarly bipartisan way—namely, information technology to have privacy-protected, electronic medical records available to everybody who wants it. It is a bipartisan effort. We have come a long way, and I am hopeful that we can do that in the near future.

We are establishing interoperability standards—working with the private sector to establish interoperability standards which will allow the 6,000 hospitals and 85,000 physicians out there to be able to communicate in a seamless way, with privacy-protected information. Again, it is another bill that would get rid of waste, drive down the cost of health care, and improve quality.

I am excited about these health initiatives. I thank my colleagues who have specifically been involved in this bill, including Chairman Mike Enzi, Senator Judd Gregg, Senator Jim Jeffords, who has been at it as long as anybody this particular bill on patient safety—and, of course, Senator Ted Kennedy. On the House side, Chairman Joe Barton and ranking member John Dingell have done a tremendous job as well shepherding through, the Patient Safety and Quality Improvement Act. We are saving lives and moving American medicine forward.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I understand that the Republican side has from 10 until 11, is that correct, under the unanimous consent agreement?

The PRESIDENT pro tempore. That is correct. The first hour is under the control of the majority, the second hour is under the control of the minority, and it reverts back to the majority and then the minority.

Mr. CRAIG. Mr. President, I send to the desk a list of 61 cosponsors of S. 397, the Protection of Lawful Commerce in Arms Act that is currently pending before the Senate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COSPONSORS, BY DATE

Mr. CRAIG. Mr. President, the reason I sent that list of cosponsors to the desk is to demonstrate to all of our colleagues that 61 Senators—80 plus myself—are now in support of the legislation that is pending before the Senate that will move to active consideration of this afternoon at 2 o’clock. I think it demonstrates to all of us the broad, bipartisan support this legislation has. I am confident that the time for S. 397 has arrived.

This legislation prohibits one narrow category of lawsuits: suits against the firearms industry for damages resulting from the criminal or unlawful misuse of a firearm or ammunition by a third party.

It is very important for everybody to understand that it is that and nothing more. The legislation is pending before the Senate, and I ask unanimous consent that it be printed in the RECORD.

This legislation would require the dismissal of existing suits, as well as future suits that fit this very narrow category of description. It is not a gun industry immunity bill because it does not protect firearms or ammunition manufacturers, sellers, or trade associations from any other lawsuits based on their own negligence or criminal conduct.

This bill gives specific examples of lawsuits not prohibited—product liability, negligence or negligent entrustment, breach of contract, lawsuits based on violations of States and Federal law. And yet, we already heard the arguments on the floor yesterday, and I am quite confident we will hear them again soon and tomorrow, that this is a sweeping approach toward creating immunity for the firearms industry.

I repeat for those who question it, read the bill and read it thoroughly. It is not a long bill. It is very clear and very specific.

The trend of abusive litigation targeting the firearms industry not only defies common sense and concepts of fundamental fairness, but it would do nothing to curb criminal gun violence. Furthermore, it threatens a domestic industry that is critical to our national defense, jeopardizes hundreds of thousands of good-paying jobs, and puts at risk access American have to a legal product used for hundreds of years across this Nation for lawful purposes, such as recreation and self-defense.

Thirty-three States enacted similar gun lawsuit bans or civil liability protection. In other words, already 33
States, because of our silence, have felt it necessary to speak up to protect law-abiding citizens from this misuse of our courts.

Yesterday, opponents repeatedly charged that negligent businesses and people somehow found their way off the hook by this bill. It was even stated that this bill would bar virtually all negligence and product liability cases in States and Federal courts. I repeat, nothing can be further from the truth. For those who come to the floor to make that charge, my challenge to them is to read the bill. Obviously they have not. They are simply following the script of the anti-gun community of this Nation. That is not fair to Senators on this floor to be allowed to believe what this legislation simply does not do nor does it say.

The bill affirmatively allows lawsuits brought against the gun industry when there have been negligent. The bill affirmatively allows product liability action. Any manufacturer, distributor, or dealer who knowingly violates any State or Federal law can be held civilly liable under the bill. This bill does not shut the courthouse door.

Under S. 397, plaintiffs will have the opportunity to argue that their case falls within the jurisdiction, such as violations of Federal and State law, negligent entrustment, knowingly transferring to a dangerous person. That is what that means, that you have knowingly sold a firearm to a person who cannot legally have it or you have reason to believe could use it for a purpose other than intended. That all comes under the current definition of Federal law.

Breach of contract or the warranty or the manufacture or sale of a defective product—these are all well-accepted legal principles, and they are protected by this bill. Current cases where a manufacturer, distributor, or dealer knowingly violates a State or Federal law will not be thrown out.

Opponents have complained about the Senate considering this bill at the same time and even have impugned the motives of the Senators who support it. The votes yesterday speak for themselves. Sixty-six Senators said it is time we got this bill before the Senate, and that is where we are today. When a supermajority of the Senate speaks, there is no question that the Senate moves, as it should, in that direction. The Senate must muster the votes needed to invoke cloture on the Defense authorization bill which would have moved us to a final vote on that measure possibly by tonight. But the Senate, as I have said, by a wide margin spoke yesterday to the importance of dealing with this issue. Sixty-six Senators said let’s deal with it now, and I have just sent to the desk 61 signatures of the cosponsors of this bill that demonstrate broad bipartisan support.

I think it is appropriate to consider all of this in the context of the Defense authorization bill because the reckless lawsuits we are seeking to stop are aimed at businesses that supply our soldiers, our sailors, and our airmen with their firepower. Stop and think about it. Would there ever be a day when all of our military would be armed with weapons manufactured in a foreign nation? There are many in this country attempting to drive our firearm manufacturers from this country, who would have it that way.

Clearly, it is within the appropriate context as we deal with Defense authorization bills and I am talking about the credibility and the assurance we are able to sustain the firearm manufacturing industry in this country. In fact, the United States is the only major world power that does not have a firearm factory of its own. That is something that simply ought not be tolerated. Thirty-eight of our colleagues of both parties signed on to a letter to Majority Leader Frist making this very point: the importance of sustaining all firearms industries against reckless lawsuits.

I would read from that letter, but I see that my colleague from Oklahoma is now on the floor wishing to discuss this legislation.

Mr. President, I yield the floor in recognition of Senator Coburn.

The PRESIDING OFFICER (Mr. Alexander). The Senator from Oklahoma.

Mr. COBURN. Mr. President, first, I thank the Senator from Idaho for his unwavering faithfulness to the Constitution and upholding his oath as a Senator, as a Member of this body.

The Bill of Rights is important to us, and I rise today in support of that Bill of Rights and, in particular, the second amendment. Not only do I believe the right to bear arms is guaranteed by the U.S. Constitution. I exercise that right personally as a gun owner. I stand on behalf of the people of Oklahoma who adamantly support the second amendment and the right to carry arms and against the attack on that right by the frivolous lawsuits that have come about of late.

We have seen many attempts to curtail the second amendment. Nearly a decade ago anti-gun activists tried to limit the right of law-abiding citizens under the banner of “terrorism” legislation by slipping in anti-gun provisions.

In another line of attack, the anti-gun lobby responded to decreasing enthusiasm for limiting handguns by promoting a new form of gun control—a cosmetic ban on guns labeled with the inflammatory title “assault weapons.” While that ban expired in 2004, we will likely see Members of this body attempt to add a renewal and expansion of that ban on this bill today.

Now anti-gun activists have found another way to constrict the right to bear arms and attack the Bill of Rights and attack the Constitution, and that is through frivolous litigation. They have not succeeded in jailing thousands of law-abiding Americans for having guns, or making the registration and purchase process so onerous that nobody bothers to buy a gun. They have failed to get their cosmetic weapons ban renewed. So now they must attack the arms industry financially through lawsuits—frivolous lawsuits, I might say.

This is why we are here today—to put a stop to the unmeritorious litigation that threatens to bankrupt a vital industry in this country.

It is also important that those who commit crimes, with or without the use of firearms, should be punished for their actions. I have always been a strong supporter of tough crime legislation. However, make no mistake, the lawsuits that will be prohibited under this legislation are intended to drive the gun industry out of business. With no gun industry, there is no second amendment right because there is no supply.

These lawsuits against gun manufacturers and sellers are not directed at perpetrators of crime. Instead, they are part of a stealth effort to limit gun ownership, and I oppose any such effort adamantly.

Anti-gun activists have failed to advance their agenda at the ballot box. They failed to advance their agenda in the legislatures. Therefore, they are hoping these cases will be brought before sympathetic activist judges—activist judges—who will determine by judicial fiat that the arms industry is responsible for the action of third parties.

Additionally, trial lawyers are working hand in glove with the anti-gun activists because they see the next litigation cash cow, the next cause of action that will create a fortune for them in legal fees.

As a result of some of the efforts of the anti-gun activists and some trial lawyers, the gun manufacturing and sales industry face huge costs that arise from simply defending unjustified lawsuits, not to mention the potential of runaway verdicts. This small industry has already experienced over $200 million in such charges. Even one large verdict could bankrupt an entire industry.

Since 1988, individuals and municipalities have filed dozens of novel lawsuits against members of the firearms industry. These suits are not intended to create a solution. They are intended to drive the gun industry out of business by holding manufacturers and dealers liable for the intentional and criminal act of third parties whom they have absolutely no control.

In testimony before a House subcommittee in 2005, the general counsel of the National Shooting Sports Foundation, Inc., said:

I believe a conservative estimate of the total, industry-wide cost of defending ourselves to date now exceeds $200 million.
What does that produce in our country other than waste and abnormal enrichment of the legal system?

This is a huge sum for a small industry such as the gun industry. The firearms industry manufactures firearms for America's military forces and law enforcement agencies, the 9, the 11. Due in part to Federal purchasing rules these guns are made in the U.S. by American workers. Successful lawsuits could leave the U.S. at the mercy of small foreign suppliers.

Second, by restricting the gun industry's ability to make and sell guns and ammunition, the lawsuits threaten the ability of Americans to exercise their second amendment right to bear arms.

Finally, if the firearms industry must continue to spend millions of dollars on litigation or eventually goes bankrupt, thousands of people will lose their jobs. Secondary suppliers to gunmakers will also have suffered and will continue to suffer.

This is why it is not surprising that the labor unions, representing workers at major firearms plants, such as the International Association of Machinists and Aerospace Workers in East Alton, IL, this bill's union business representatives stated that the jobs of their 2,850 union members "would disappear if trial lawyers and opportunistic politicians get their way."

The economic impact of this problem may be felt in other ways. In my home State of Oklahoma, hunting and fishing creates an enormous economic impact. It is tremendously positive. Hunters bring in retail sales of over $292 million a year; 6,755 jobs in Oklahoma are dependent on hunting; $137,122,000 in salaries and wages in Oklahoma alone; and $22 million in State sales tax per year. The financial insolvency of gun manufacturers and sellers would have a devastating effect on my State and many other States similar to Oklahoma.

Insurance rates for firearm manufacturers and sellers have skyrocketed since these suits began, and some manufacturers are actually uninsured and seeing their policies canceled, leaving them unprotected and vulnerable to bankruptcy.

That is the ultimate goal of these suits—bankruptcy and the elimination of this arms industry. Because of that, 33 State legislatures have acted to block similar lawsuits, either by limiting the power of localities to file suit or by amending State product liability laws. However, it only takes one lawsuit in the State to bankrupt the entire industry, making all of those State laws inconsequential. That is why it is essential that we pass Federal legislation.

Additionally, plaintiffs in these suits demand enormous monetary damages and a broad variety of injunctive relief relating to the design, the manufacturer, the distribution, the marketing, and the sale of firearms.

Some of these demands:

- One-gun-a-month purchase restrictions not required by State laws; requiring manufacturers and distributors to "participate in a court-ordered study of lawful demand for firearms and to cease sales in excess of lawful demand; "prohibition on sales to dealers who are not stocking dealers with at least $250,000 of inventory—in other words, we are going to regulate how much you have to have in inventory before you can be a gun seller; a permanent injunction requiring the addition of a safety feature for handguns that will prevent their discharge by "those who steal handguns"; and a prohibition on the sales of guns near Chicago that by their design are unreasonably attractive to criminals.

These lawsuits are frivolous. Anti-gun activists want to blame violent acts of third parties on manufacturers of guns for simply manufacturing guns and sellers of guns for simply selling them. This would be the equivalent of holding a car dealer responsible for a person who intentionally runs down a pedestrian simply because the car that was sold by the dealer was used by a third party to commit homicide.

Guns, like many other things, can be dangerous in the wrong hands. The manufacturer or seller of a gun who is not negligent and obeys all applicable laws should not be held accountable for the unforeseeable actions of a third party. This is a country based on personal accountability, and when we start muddying that aspect of our law and culture we will see all sorts of unintended consequences.

Most of the gun injuries I have seen in the emergency room as a practicing physician were people who were intentionally shot by other people. The gun was the mechanism that was used, but it was the individual who carried out that act. The gun was a tool. Should we ban all tools that are capable of committing homicide or committing injury? These people were not injured by defective guns or defective ammunition. The individuals who were shot were responsible for aggressive prosecution, not the industry that made the guns or the legal sellers of the guns. Even when I treated individuals who injured themselves with guns, these tragedies were accidents. It was not part of a quality or product defect. It was an act of stupidity on the part of the individual who was responsible for the crime that third party criminals commit with their nondefective products.

Manufacturers and sellers are still responsible for their own negligent or criminal conduct and must operate entirely within the Federal and State laws.

Firearms and ammunition manufacturers or sellers may be held liable for negligent entrustment or negligence per se; violation of a State or Federal statute applicable to the sale or marketing of the product where the violation was the proximate cause of the harm for which relief is sought; breach of contract or warranty; and product defect. They still are responsible for all that through this bill. It takes none of that away. It holds personal accountability solid and steadfast. It does not infringe on it. Claimants may still go to court to argue that their claims fall under one of the exceptions.

In my opinion, gun manufacturers and sellers are already policed enough, too much, through hundreds of pages of
That people who have suffered a real insecurity. It will protect our constituents responsibly.

And we are trying to use the State court to rekindle those legislatures.

Additionally, the industry has voluntary programs to promote safe gun storage and to help dealers avoid sales to potential illegal traffickers.

Manufacturers also have a time-honored tradition of acting responsibly to make sure gun owners are screened to the best of their abilities.

In the past, Congress has found it necessary to protect other classes; for example, the light aircraft industry. Jim Inouye, a Senator from Oklahoma, moved that the House ultimately through the Senate, an industry that was killed, literally destroyed by frivolous lawsuits. Community health centers, same thing; the aviation industry; the medical implant makers; Amtrak—we have created a special exception for Amtrak—the computer industry members who are affected by Y2K.

So why now are you addressing the Protection of Lawful Commerce in Firearms Act, S. 397? It was stated in the context that the Senate really can only chew gum or dribble a ball, but it can’t both. What I think is important for those who might be listening to understand is that we can chew gum and dribble a ball at the same time.

The letter goes something like this: Dear Majority Leader Frist, this was sent on July 12, signed by a great many Senators, Democrats, and Republicans alike, Max Baucus, who is my cosponsor of this legislation, and I, along with a good many others.

In the early days of World War II, President Franklin Roosevelt foresaw that America “must be the great arsenal of democracy.” Americans rose to that challenge, producing unprecedented quantities of arms, not only for U.S. forces but also for our allies around the world.

While I spent a good deal of the campaign time talking about education and a variety of other issues, I am here now to talk about national energy. And the first thing I am going to do as a President-elect and sworn-in President is to name a task force headed by the Vice President to recommend to the Congress the development of a national comprehensive energy policy.

I would, did we do it. He pushed, but we could not produce. He continued to push, and now we have produced, and finally we have a comprehensive energy policy before us. So I would say to those listening and to all of our colleagues, I hope we can drizzle a ball and chew gum at the same time and get all of this work done before the August recess. If reasonable heads prevail, we should get it all done by late Friday night. But the leader also said we have Saturday, and we can start our work done. By early afternoon today, we will be on S. 397, the Protection of Lawful Commerce in Firearms Act.

What I would like to do at this time is read a letter that we sent to Majority Leader Frist that we think sets into the right context exactly why we are here today and tomorrow debating this important legislation.

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That tradition continues today, during our Global War on Terror. In 2004-2005, the United States—the only major world power without a government firearms factory of its own—

I said, in earlier statements this morning, we are the only major world power where the Government does not own a firearms factory. They are all owned by private citizens—

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front line against terrorism have been sued all over the country, where plaintiffs blame them for the acts of criminals. These lawsuits defy all the rules of traditional tort law. While many have been rejected in the court—

And that is many of the lawsuits, some 24-plus filed, about half of them now rejected.

Even the verdict for plaintiffs would risk irreparable harm to a vital defense industry. These are some of the reasons I have cosponsored S. 397, the Protection of Lawful Commerce in Arms Act. This bill would protect America's small arms industry against these lawsuits, while allowing legitimate, recognized types of suits against companies that negligently produce defects, or against gun dealers who break the law.

I was very clear earlier today that S. 397 sets that out in clear fashion.

The letter goes on to say:

We urge you to help safeguard our 'great arsenal of democracy' by bringing S. 397 to the Senate floor before the August recess, and working to pass it without any amendments that would jeopardize its speedy enactment into law.

That is why we are here today, because a substantial majority of the Senate has urged our leader to bring this important legislation to the floor. We have asked the Senate to be flexible, and the Senate has agreed. While we have legislation on the floor and conference reports on major bills pending, we wanted to come forward to be able to set aside the legislation and to deal with those, and I trust we will, at least three; conference report on energy, conference report on transportation, and a conference report on the Interior appropriations bill, which has some critical veterans money in it that I and others have worked for over the last good number of weeks, and we hope all of that can be effectively accomplished before we complete our work by late Friday night or Saturday.

I think that with full cooperation from all of our colleagues, we can get all of the legislation done in a timely amount of time.

Another question was asked of me a few moments ago by the person I did the interview with, who said, well, these are very big companies that make a lot of money and are you not protecting them a great deal?

Let me put that into the right context. I am not going to name names, but I will say that I know of at least three firearms companies that have around $100 million worth of sales a year apiece, not collectively but apiece.

They were comparing it in this interview with the tobacco industry. I said, well, in short, I know of those companies alone, they were selling $1.1 billion, $1.2 billion, some of them $2 billion industries in their collective value. So we are talking apples and oranges, an industry that is very limited in its capability that is now being sucked to death by the trial bar and these frivolous lawsuits to the tune of hundreds of thousands, if not millions, of dollars a year, in necessary legal defenses.

So that is why we have been very specific in the law. It is not the gun industry immunity bill. It is important that we say that and say it again because it does not protect firearms or ammunition manufacturers, sellers or trade associations from any lawsuits based on the loss or remnants of criminal conduct. The bill gives specific examples of lawsuits not prohibited. Let me repeat, not prohibited:

Product liability, in other words, a gun that misfires, that does damage to the operator of it, those definitions are clearly spelled out within the law. Negligence or negligent entrustment, breach of contract, lawsuits based on a violation of State and Federal law, it is very straightforward, and we think it is very clear.

The trend of abusive litigation targeting the firearms industry not only defies common sense and concepts of fundamental fairness, but it would do nothing to curb criminal violence, and we know that.

Furthermore, it threatens the domestic industry that I think is critical, as I have mentioned earlier, to the national defense of this country.

It would be kind and I do not know of a soldier serving today or one who has served that would want to serve with a firearm at his or her side being made by a foreign manufacturer. It does not make sense whatsoever. Yet that is the end product of the effort that is under way today, to simply put firearms manufacturers out of business. If they can be pushed overseas, then other forms of law can be used to block access to firearms or access to the importation of firearms from foreign countries. The argument would be foreign nations are attempting to flood the American consumer with a foreign product. I have heard the argument on the floor by those who have attempted to ban certain types of importation over the years.

It is an argument well spelled out and well used by many. Faulty as it may be, it is an argument that often times resonates to the American consumer. But when the American consumer finds out that they have been denied access to a quality U.S. product or that product does not exist, then the argument turns around.

That is why we are on the floor today. That is why we are dealing with this bill today. I conferred with my colleagues and we believe that is clear that this legislation expeditiously through the Senate. I know there are several amendments that will probably be brought to the floor, most of them destructive to the intent of the bill, marginalizing it at best. As a result, I urge everyone with me that we can move this legislation expeditiously through the Senate. I know there are several amendments that will probably be brought to the floor, most of them destructive to the intent of the bill, marginalizing it at best. As a result, I urge everyone with me that we can move this legislation expeditiously through the Senate. I know there are several amendments that will probably be brought to the floor, most of them destructive to the intent of the bill, marginalizing it at best. As a result, I urge everyone with me that we can move this legislation expeditiously through the Senate.
clearly the urgent need to establish a commission than that this imperial White House considers itself immune from restraints by Congress on its powers no matter what the Constitution says.

It is appalling that the administration is so afraid of the truth that they are even willing to veto the Defense bill which includes billions of dollars for our troops, pay raises for our troops, and funds for armored humvees to protect our troops in Iraq. But the administration is so afraid to veto that legislation because of this amendment that had been offered by Senator Levin, Senator Reed, Senator Rockefellar, and myself.

The underlying assumption that gave rise to this amendment was that the political and personal influence of Senators and Members of the Congress is sufficient to force the White House to respect the law. Obviously, Senator Levin, Senator Reed, Senator Rockefellar, and myself were wrong.

The reality is our safety and security depend on accountability. The facts we know so far about torture and harsh techniques. We need an investigation of the country's so-called rendition policy which sends detainees to other countries where torture is well known. We need answers about the administration's rendition policy and actions by Americans whose job it is to hold officials accountable. As Benjamin Franklin said, half a truth is often a great lie. Until now the White House has declared war on any full and honest accounting of responsibility. The safety of our troops and our citizens depends on finding out the whole truth and acting on it. An independent commission of respected professionals with backgrounds in law and military policy and international relations is the only way we can learn the truth about what has happened so we can end the suppression and establish a policy for the future that is worthy of our Nation and worthy of our respect of all nations.

Administration secrecy doesn't stop with their interrogation policy. This administration has a systematic disregard for oversight and openness. Government is intended to be "of the people, by the people, and for the people." Democracy requires informed citizens, and to be informed, citizens need to have information about the government. Congress and the executive branch have failed to be open and accountable, so the American people know what is being done in their name. But under the Bush administration, openness and accountability have been replaced by secrecy and evasion of responsibility. The White House, conceal their actions from the American people, and refuse to hold officials accountable.

No one disputes the necessity of classifying information critical to protecting our national security—military operations, weapon designs, intelligence sources, and similar information. But in the post-9/11 world, the administration is making secrecy the norm and openness the exception. It has used the tragedy of 9/11 to classify unprecedented amounts of information. Material off-limits to the public has become so extensive that no other conclusion is possible. The Bush administration has a pervasive strategy to limit access to information in order to avoid independent evaluation of its actions by Americans whose job it is to observe and critique their government. When even Congressmen, journalists, and public interest groups complain about limits on access to information, we know the difficulties faced by ordinary Americans seeking information from their government.

At a hearing last August in the House Subcommittee on National Security, the Director of the Government's Information Security Oversight Office, J. William Leonard, testified that "it is no secret that the Government classifies too much information. Too much classification unnecessarily impedes effective information sharing.

The Deputy Under Secretary of Defense for Counterintelligence and Security, Carol A. Haave, said that as much as half of all classified information doesn’t need to be classified.

Last year, a record 15.6 million documents were classified by the Bush administration at a cost of $7.2 billion, many under newly invented categories with fewer requirements for classification.

The administration argues that all this secrecy is necessary to win the war on terrorism. But the 9/11 Commission Report said that too much government secrecy had hurt U.S. intelligence capability even before 9/11. "Secrecy stifles oversight, accountability, and information sharing," says the report. They know from their own experience.

In July 2003, the 9/11 Commission's chairman, Thomas Kean and Lee Hamilton, complained publicly that the administration was failing to provide requested information.
In October 2003, the Commission had no choice, after repeated requests, but to subpoena records from the FAA.

In November 2003, after multiple requests, the Commission again had to subpoena information, this time from the Department of Defense.

For the rest of that fall and spring, the administration repeatedly tried to deny access to presidential documents important to the Commission’s investigation, until public outcry grew loud enough to convince the administration otherwise. Key members of the administration balked at testifying, until public opinion again swayed their stance.

And then, in an ironic twist, 28 pages of the 9/11 Commission Report itself was classified. So, is all this secrecy really about protecting us from the terrorists? Or is it just to avoid accountability?

This administration, once in office, wasted no time challenging those who would hold them accountable. In May 2001, Vice President Cheney’s energy task force issued its report recommending more oil and gas drilling to solve our energy problems. In light of his former employment at Halliburton, the report was hard to fathom. An energy task force, following reports that campaign contributors had special access while the public was shut out. Cheney’s refusal to identify the people and groups who helped write the policy. In June 2001, the GAO, the nonpartisan investigative arm of Congress, issued a report that contradicted the energy task force, following reports that campaign contributors had special access while the public was shut out. GAO’s refusal was simple. It asked, “Who serves on this task force; what information is being presented to the task force and by whom is it being given; and the costs involved in the gathering of the facts.” Considering that the task force wrote the nation’s energy policy, it was not an unreasonable request.

The administration refused to comply, even though GAO’s request was not out of the ordinary. President Clinton’s task forces on health care and on China trade relations were both investigated by GAO. The Clinton administration turned over detailed information on the participants and proceedings of the task forces.

But the Bush administration argued that GAO did not have the authority to conduct the investigation. For the first time in its 80-year history, GAO was forced to file suit against an administration to obtain requested information. But the court sided with the administration in Walker v. Cheney, and GAO’s investigative oversight authority was effectively reduced. Independent oversight is critically important when one party controls both Congress and the White House, and GAO is critical to that oversight.

On October 12, 2001, John Ashcroft wrote a memo criticizing the Justice Department’s views on Freedom of Information Act requests. The memo set the tone for an administration hostile to such requests. It discouraged executive branch agencies from responding to Freedom of Information Act requests, even when the agencies had the option to respond. He basically reversed the longstanding policy of prior administrative, not judicial, review.

The Clinton administration, set forth by Attorney General Janet Reno, was that if a document could be released without harm, an agency should do so, even if there were technical grounds for withholding it. They knew that government openness was essential to an informed public.

When the Bush administration came to office, Attorney General Ashcroft disagreed—he wrote that if there is any technical ground for withholding a document under the Freedom of Information Act, an agency should withhold it. The Clinton policy had been “release if at all possible.” The Bush policy was “keep secret if at all possible.”

Why should the public know what the administration had done? Why release documents that might be embarrassing to the White House or its friends in business?

Some organizations claim, based on their experience, that this obsession with secrecy is even further, and that executive branch agencies are being told to withhold information until it is subpoenaed. Sean Moulton, a senior policy analyst at OMB Watch, argued that if there are documents the government doesn’t want to release but doesn’t have any legal basis for withholding, unless you’re willing to go to court, you’re not getting those documents.

Since the tragedy of September 11, this administration has effectively shut down inquiry after inquiry:

In November 2001, energy companies were planning a natural gas pipeline through the Blue Ridge Mountains of Virginia. Local citizens, led by former U.S. Army Ranger Joseph McCormick, asked the Federal Energy Regulatory Commission for a map of the planned pipeline. These citizens weren’t being nosy—they wanted to know if a large new pipeline for natural gas would be going through their backyards. FERC denied the citizens’ request in the name of national security, even though this type of information had been public before 9/11. Clearly, national security concerns are legitimate. But with no place to go but the FERC, how could these citizens defend their property? Joseph McCormick put it bluntly: “There certainly is a balance.”

“It’s about people’s right to use the information of an open society to protect their rights.”

In the fall of 2002, the chemical compound perchlorate was found in the water supply of Aberdeen, Maryland—near the Army’s famous Aberdeen Proving Ground. Perchlorate is a main ingredient of rocket fuel. It also stains the mother’s milk and affects the growth of newborns. A group of citizens organized, and worked with the Army to protect their drinking water from further contamination. But a few months later, the Army began censoring maps and information that would help determine which areas were contaminated, supposedly in the interest of national security—if citizens could find out where perchlorate was detected, then terrorists could find it too. The head of the citizens’ group was a 20-year-old water veteran. His water well was only a mile and a half away from the proving ground. “It’s an abuse of power,” he said. “The government has to be transparent.”

Even Members of Congress have had to subpoena information in order to do their work. Last October, Congressmen Christopher Shays and Henry Waxman, the chairman and ranking Democrat on the House Government Reform Subcommittee on National Security, Emerging Threats and International Relations, asked for an audit of the Development Fund for Iraq. The copy they received had over 400 items blacked out. They were told of their difficulty obtaining an unredacted report from the Defense Department that they had to prepare a subpoena. Once they finally received an unredacted copy, guess what had been blacked out? More than $228 million in charges from Halliburton. So far, no one has been held accountable.

It has now been 744 days without a White House investigation into the CIA leak case. It took 85 days for the administration to turn over evidence relating to the leak. Senate Republicans held 20 hearings on accusations against President Clinton and the Whitewater case, but they have held zero hearings on the leak of the covert identity of CIA agent Valerie Plame. So far, no one has been held accountable.

Last week, the Defense Department refused to cooperate with a federal judge’s order to release secret photographs and videotapes of prisoner abuse at Abu Ghraib. The ACLU had sued to obtain release of 87 photographs and 4 videotapes, but the administration filed sealed documents resisting the order. They are so obsessed with secrecy that they even make secret arguments to keep their secrets. So far, no one has been held accountable.

Also last week, the administration submitted an initial report on progress in training Iraqi security forces. It has now been more than 2 years since the fall of Baghdad, and a reliable assessment of our progress in training those forces was long overdue. The key questions that the American people want to know are how many Iraqi security forces are capable of fighting on their own and what our military requirements will be the months ahead. But the answers remain classified. The American people deserve to know the facts about our policy. They want to know how long it will take to fully train the Iraqi forces. The White House is perfectly capable of fulfilling this mission. They can deal with the truth, and they deserve it.
No one wants to do anything that would help the insurgents. But the administration must do a better job of responding to the legitimate concerns of the American people. The administration still isn’t willing to be candid. It needs to shed some of the secrecy and answer these questions in good faith for the American people. The silence is deafening.

There is also a pattern of withholding information from members of Congress on the administration’s nominations. In 2003, Miguel Estrada was nominated for a Federal judgeship. We requested legal memoranda he wrote as Assistant Solicitor General, and we were repeatedly denied. In 2004, Alberto Gonzales was nominated to be Attorney General. We requested various memoranda he authorized on administration torture policy, and we were repeatedly denied. Earlier this year, John Bolton was nominated to be Ambassador to the United Nations. We requested documents to determine if he acted appropriately in his previous job, and we have been repeatedly denied.

Instead of coming clean and providing the information to the Congress, we have been stonewalled. Our questions have gone unanswered. And now, the President appears to be poised to abuse his power further, rub salt in the wound, and send John Bolton to the United Nations anyway with a recess appointment of dubious constitutional validity.

Now John Roberts has been nominated to a lifetime seat on the Supreme Court. We hope this nomination will not be another occasion for administration secrecy, but press accounts suggest otherwise. Even before we asked for any documents, the administration announced it will not release many of the memoranda written by John Roberts. The White House spokesmen say they will claim attorney-client privilege, and many of these documents are vital to our consideration of Judge Roberts for the Supreme Court were written while he worked as a top political and policy official in the Solicitor General’s office. That office works for all the American people—not just the President. Attorney-client privilege clearly has never been a bar to providing the Senate with what it needs to process a nomination.

As we all know, no one is simply entitled to serve on the Supreme Court of the United States. One has to earn that right. And one earns that right by getting the support of the American people, reflected in the vote here in the United States Senate. And that is what the confirmation process is all about. We know that the administration is familiar with and aware of Judge Roberts’ positions on various issues. They have had a year to study it and had their associates talk with him and with those who worked with him. The real question is: Shouldn’t the American people have the opportunity to get the same kind of information so that they can form their own impression and so that the Senate can make a balanced, informed judgment and see whether or not the balance in the Supreme Court will be furthered? That is the issue and it appears that the administration is continuing to withhold important information that would permit the Congress the ability to do so. Yes, the administration has consistently used the horror of 9/11 and its disdain of congressional oversight to get its way and avoid accountability. It consistently uses this secrecy to roll back the rights of average Americans. But even its best spin doctors can’t conceal some of the administration’s most flagrant abuses of power.

Last August, the New York Times reported that “health rules, environmental regulations, energy initiatives, worker-safety standards and product-safety disclosure policies have been modified in ways that often please business and industry leaders while dismaying interest groups representing consumers, workers, drivers, medical patients, the elderly and many others.”

Often, this has been done in silence and near secrecy. In 2000, Congress responded to the disclosure of defects in Firestone tires, which may have been responsible for as many as 270 deaths, by passing legislation that would protect big business while putting the American public at greater risk.

In 2003, the administration knowingly withheld cost estimates of its Medicare prescription drug bill—one of the most important pieces of legislation that year. The estimates showed much higher costs than the administration claimed, but the information was withheld because of fears that the actual numbers would persuade Members of Congress to vote no. Administration officials threatened to fire Chief Actuary Richard Foster “so fast his head would spin,” if he informed Congress of the real cost estimate. I wrote a letter to the administration on this subject, but they never responded to my questions.

In 2003, the Food and Drug Administration kept secret a report that children on antidepressants were twice as likely to be involved in suicide-related behavior. The FDA also prevented the author of the study—their expert on the issue—from presenting his findings to an FDA advisory committee. Dr. Joseph Glenmullen, a Harvard psychiatrist, said “Evidence that they’re suppressing a report like this is an outrage, given the public health and safety issues at stake.” If the FDA was able to issue an ambiguous warning when they had unambiguous data like this is an outrage.”

In November 2003, the White House told the Appropriations Committees in both Houses of Congress that it would only respond to requests for information if they were signed by the committee chairman. In a time of one-party rule, this tactic made congressional oversight almost completely impossible.

In April 2004, the ranking member of the Environment and Public Works Committee, Senator JEFFORDS, was forced to place holds on several EPA nominees after the administration refused to respond to twelve outstanding information requests, including information on air pollution.

In August 2004, under pressure from the Department of Homeland Security, the FCC decided to make telephone service outage reports confidential, and exempt them from Freedom of Information Act requests. The FCC argued it was because companies could use competitors’ service outages in ad campaigns. You have to make informed decisions on your phone company, but at least the company will be protected from nasty advertising.

Last month, we discovered that the administration had blocked studies criticizing the Central American Free Trade Agreement—after it had already paid for them. In 2002, the Department of Labor hired the International Labor Rights Fund to back up its argument that Central American Free Trade Agreement had improved on labor issues. The contractor found the opposite, and posted its results on its Web site in March 2004. The Labor Department ordered its removal from the website, banned its release, and barred the contractor’s employees from discussing the report. The Department of Labor denied a Congressman’s request for the report under the Freedom of Information Act. These are the American people’s tax dollars. But when the administration didn’t like an answer, it abused its power to avoid accountability—at their expense.

Yesterday, the Wall Street Journal disclosed yet another list of abuses in Iraq reconstruction. Ten billion dollars of no-bid contracts were awarded; $89 million was doled out without contracts at all; $9 billion is unaccounted for, and may have been embezzled. An official fired for incompetence was still getting millions of dollars in aid, after his termination. A contractor was paid twice for the same job. A third of all U.S. vehicles that Halliburton was paid to manage are missing. It is a staggering display of incompetence and cover-up, so that no one will be held accountable. Americans deserve better. They deserve the information necessary to become informed, effective citizens. We as lawmakers are better able to represent our constituents when we have access to the critical information held by the executive branch. We must never forget who we work for—the American people. Congress is a co-equal branch of government, and we
have a duty to hold the administration accountable for its actions.

Mr. President, on the matter we have before the Senate at the present time, here we go again on the issue of legal immunity for the gun industry. Without a doubt, the bipartisan leadership has brought this special interest, anti-law enforcement bill that strips away the rights of victims to go to court.

Why the urgency to take up this bill now? Why is Congress ignoring the urgent need for gun control in this country’s future? Surely, the Republican leadership can take some time to address other priorities before attempting to give a free pass to the gun industry. Why aren’t we completing our work on the Defense authorization bill? That is what was before the Senate. Why have we displaced a full and fair debate on the issue of the Defense authorization bill—which has so many provisions in there concerning our fighting men and women in Iraq and about to go to war in Afghanistan—without the National Guard and defense—in order to consider special interest legislation?

That is what is before the Senate, and that is what we are considering at the present time, as a result of the Republican leadership. Surely, the Senate leadership can take some time to address other priorities before attempting to give a free pass to the gun industry. Why aren’t we completing our work on the Defense authorization bill? That is what was before the Senate. Why have we displaced a full and fair debate on the issue of the Defense authorization bill—which has so many provisions in there concerning our fighting men and women in Iraq and about to go to war in Afghanistan—without the National Guard and defense—in order to consider special interest legislation?

The overwhelming majority of Americans believe gun dealers and gun manufacturers should be held accountable for their irresponsible conduct, similar to wrongful conduct of others. These lawsuits include lawsuits filed by cities and States to recover billions of dollars in costs each year as a result of gun violence. Studies estimate that the public cost of firearm-related injuries is over $1 million for each shooting victim. Yet this bill would take a fierce toll and dismiss even pending cases where communities are trying to get relief.

This bill bar the legal rights of hard-working law enforcement officers, such as those in Orange, NJ, were seriously wounded in a shootout with a burglarly suspect. The gun used by the suspect was one of 12 guns sold by a West Virginia pawnshop to an obvious straw purchaser for an illegal gun trafficker. Fortunately for the officers, this bill did not become law last year, and their case was able to proceed. Recently, David Lemongello was able to obtain a $1 million settlement. Significantly, the settlement required the dealer and other area pawnshops to adopt safer practices. These reforms go beyond the requirements of current law and are not imposed by any manufacturers or distributors. This is not about money. This is about public safety, and I commend these brave officers for their courageous battle to change the system.

It is clear what will happen if Congress gives the gun industry this unprecedented legal immunity, on top of its existing exemption from Federal consumer safety regulations. Guns will be more dangerous. Gun dealers will be more irresponsible. Guns will be more available to terrorists and criminals. There will be more shootings and more dead children.

The Senate bill, and the Secretary of Defense’s letter opposing it, argue that the Congress can and should act to prevent lawsuits from those who have a duty to hold the administration accountable for its actions. The Senate bill pretends to be part of the long-ranging and important debate about gun regulation. Its proponents argue that lawsuits need to be stopped in order to defend their view of the second amendment. But that is pretense. This bill is a simple giveaway to one industry—the gun lobby. It is a special-interest windfall.

I, for one, do not believe we should be giving the gun industry sweeping and unprecedented protection from the civil tort system that is available to every individual involving every other industry anywhere in America. We have to recognize that guns in America are responsible for the deaths of 30,000 Americans a year. If we require little changes in our laws to make gun dealers and gun manufacturers responsible for their negligence, then citizens will have no recourse. Gun owners and gun victims alike will be left virtually powerless against an industry that is already immune from so many other consumer protections. We find ourselves today on the cusp of yet another NRA victory.

Simply put, we are considering legislation that would ensure that it is not in the financial interests of gun manufacturers or sellers to take reasonable care in administering their business. We are removing the incentives of the tort system to encourage responsible behavior. No longer will these incentives to responsible behavior be possible.

Let me be clear, if this bill is approved, it will not be a victory for law-abiding gun owners who might someday benefit from the ability to sue a manufacturer or dealer for their negligent conduct. No, this will be a victory for those who have turned the NRA into a political powerhouse, unconcerned with the rights of a majority of Americans who want prudent controls over firearms and who want to maintain their basic legal right in our civil law system.

Now, I do not support meritless lawsuits against the gun industry. I do not think anybody does. It is my belief gun manufacturers and dealers should be held accountable for irresponsible marketing and distribution practices, as anyone else would be, particularly when these practices may cause guns to fall into the hands of criminals, juveniles or mentally ill people.

This legislation has one simple purpose—to provide gun traders from those harmed by gun violence as a result of the wrongful conduct of others. These include lawsuits filed by cities and
concerns. This is the most notorious sniper case in America. The court has ruled that gun manufacturer Kahr Arms may be liable for negligently hiring drug-addicted criminals, who then went out the plant door with unmarked guns to be sold to criminals. But with these proposed changes, the case against Kahr Arms would be dismissed. A case would be dismissed where a gun manufacturer negligently hired drug-addicted criminals and let them go out the plant door with unmarked guns to be sold to criminals. That is what this does.

This conduct, though outrageous, violated no law—negligent, yes; criminal, no. Contrary to current law which allows judges and juries to apportion blame and damages, this bill would bar any damages against a manufacturer if another party was liable due to a criminal act.

Why should firearms get special treatment? In our society, we hold manufacturers liable for the damage their negligence causes. We do this across the board for every industry, such as the automobile industry if they built a defective car and knew of the defects but failed to recall them. Lawsuits filed against the gun industry provide a way for those harmed to seek justice from the damages and destruction caused by firearms. Just as in other industries, this bill would make Kahr Arms liable for negligence. If this case was successful, Kahr Arms would make every effort not to hire drug addicts to sell guns to criminals. If that case is dismissed, they can hire them. They can sell to criminals. That is not going to make a difference.

When this bill was introduced in the last Congress and again in this Congress, its supporters spoke about the need to protect the industry from frivolous lawsuits and the need to protect the industry from the potential loss of jobs brought on by future lawsuits. These claims are unfounded. This bill is simply the latest attempt of the gun lobby to evade industry accountability. The suits against the firearms industry come in varying forms, but they all have one goal in common—forcing the firearms industry to become more responsible. What is special about the gun industry that they should be exempt from this most basic of civil responsibilities? Answer: Nothing. This is an industry that is less accountable under law than any other in America right now. The only avenue of accountability left is the courtroom. This bill attempts to slam the courtroom door in the face of those who would hold the industry responsible for its own actions.

We ought to hold the industry responsible for taking the proper precautions to ensure law-abiding citizens are able to obtain the guns they choose while criminals and other prohibited individuals are not.

Let me read from a letter that was sent by more than 50 full professors from law schools all across this nation, from the University of Michigan School of Law, UCLA Law School, the University of Oklahoma School of Law, Indiana University School of Law, Harvard Law School, Syracuse University College of Law, Brooklyn Law School, Georgetown University Law Center, Lewis and Clark Law School, Roger Williams University School of Law, Northwestern School of Law, University of Chicago Law School, William Mitchell College of Law, University of Colorado School of Law, Duke Law School, Albany Law School, University of Notre Dame Law School, University of Houston Law Center, Widener University School of Law, Rutgers, Tulane, Boston, Albany, Temple University Beasley School of Law, Case Western Reserve University School of Law, Cornell Law School, Salmon P. Chase College of Law, Northern Kentucky University, NYU School of Law, The George Washington University Law School, Boston College Law School, Tulane University Law School, Columbia Law School, New York Law School, University of Alabama School of Law, Emory University School of Law, University of California Boalt School of Law, and on and on.

Let me tell you what they say. I will read parts of it. They have reviewed this bill, S. 397 . . . would abrogate this firmly established principle of tort law. Under this bill, the firearms industry would be the one and only business that could be free utterly to disregard the risk, no matter how high or foreseeable, that their conduct
might be creating or exacerbating a potentially preventable risk of third party misconduct. Gun and ammunition makers, distributors, importers, and sellers would, unlike other businesses or individuals, be free to take no precautions against even the most foreseeable and easily preventable harms resulting from the illegal actions of third parties. And they could engage in this negligent conduct persistently, even with the specific intent ofprofiting from the sales of guns that are foreseeably headed to criminal hands.

They could engage in the conduct in an unlimited way and profit from the sales of guns that are foreseeably headed for criminal hands.

Under this bill, a firearms dealer, distributor, or manufacturer could park an unguarded open pickup truck full of loaded assault weapons on a city street corner, leave it there for a week, and yet be free from any negligence liability if and when the guns were stolen and used to do harm.

Mr. President, this is what we are doing. This isn’t just my view, this is the view of more than 50 professors of law and professors of law schools all across the Nation. We are facilitating criminal conduct by providing this protection against liability.

It goes on to say:

A firearms dealer, in most states, could sell literally to anyone. The individual every day, even after the dealer is informed that these guns are being used in crime—even, as happened by the violent street gang.

That is a direct quote. So you are facilitating a situation where somebody could sell a hundred guns a day to a street gang and have no liability for that action. That is what I think is really despicable—all because of the power of one lobby.

Again, it goes on to say:

It might appear from the face of the bill that S. 397 and H.R. 800 would leave open the possibility of tort liability for truly egregious misconduct, by virtue of several exceptions set forth in Section 4(5)(1). Those exceptions, however, are in fact quite narrow and would give those in the firearm industry little incitement to the risks of foreseeable third party misconduct.

One exception, for example, would purported to prevent exceptions for “negligent entrustment.” The bill goes on, however, to define “negligent entrustment” extremely narrowly.

The exception applies only to sellers, for example, and would not apply to distributors or manufacturers, no matter how egregious their conduct.

So when somebody comes to the floor and says this bill provide for negligent entrustment, don’t believe it. It is so limited that it doesn’t cover the whole field of those who hand firearms.

And then it goes on to say:

Even as the sellers, the exception would apply only where the particular person to whom a seller supplies a firearm is one whom the seller knows or ought to know will use it to cause harm. The exception would, therefore, not permit any action based on reckless distribution practices, negligent sales to gun traffickers who supply criminals, hand over guns to those of no security, or any of a myriad of potentially negligent acts.

Another exception would leave open the possibility of statutory violations, variously defined, including those described under the heading of negligence per se. Statutory violations, however, represent just a criminal cause of negligence liability. No jurisdiction attempts to legislate standards of care as to every detail of life, even in a regulated industry; and there is no need here! Because general principles of tort law make clear that the mere absence of a specific statutory prohibition is not carte blanche for unreasonable or dangerous behavior. S. 397 and H.R. 800 would turn this traditional framework on its head, and free those in the firearms industry to behave as carelessly as they would like, so long as the conduct has not been specifically prohibited. If there is no statute against leaving an open truckload of assault weapons on a street corner, or leaving a gun in a car, that same individual, under this bill there could be no tort liability.

That is what this bill is opening up. Again, this represents a radical departure from traditional tort principles.

Again, this isn’t just me saying this; this is more than 50 law professors from almost 50 different law schools.

As currently drafted, this bill would not simply represent an expansion of tort liability, as has been suggested, but would in fact dramatically limit the application of longstanding and otherwise universally applicable tort principles. It provides to firearm makers and distributors a literally unprecedented form of tort immunity not enjoyed, or even dreamed of, by any other industry.

Mr. President, I know the motion to proceed will pass. I also know that what is being engaged upon is the most stringent test of government I have ever seen take place in this body to prevent amendments from being offered once cloture is invoked, which is not the case. I know that what they are going to do to the people it represents an enormous harm. They are going to protect the most powerful lobby in the United States and open millions of Americans to egregious injury from negligent practices by distributors and sellers of firearms in this country.

That is not what we were elected to do. No one in this body was elected to have their hands tied by the National Rifle Association. Although they have a point of view, and although this point of view is popular in many places, the question is, do we still protect the public welfare?

I say to you we do not protect the public welfare, as more than 50 professors of law have pointed out.

Additionally, I will put into the RECORD a letter of opposition from law enforcement officials in unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS, U.S. SENATE, WASHINGTON, D.C.

Dear Senator: As active and retired law enforcement officers, we are writing to urge your strong opposition to any legislation granting the gun industry special legal immunity.

S. 397 would strip away the legal rights of gun violence victims, including law enforcement officers and their families, to seek redress against irresponsible gun dealers and manufacturers.

The impact of this bill on the law enforcement community is well illustrated by the lawsuit brought by former Jersey police officers Ken McGuire and David Lemongello. On January 12, 2001, McGuire and Lemongello were shot in the line of duty with a handgun smuggled gun negligently sold by a West Virginia dealer. The dealer had sold the gun, along with 11 other handguns, in a cash sale to a straw buyer for a gun trafficker. In June 2001, the officers obtained a $1 million settlement from the dealer. The dealer, as well as two other area pawnshops, also have implemented safer practices to prevent sales to traffickers, including a new policy of ending large-volume sales of handguns. These reforms go beyond the requirements of current law and are not imposed by any manufacturers or distributors.

If immunity for the gun industry had been enacted, the officers’ case would have been thrown out of court and they would have been denied. Police officers like Ken McGuire and Dave Lemongello put their lives on the line every day to protect the public. Instead of honoring them for their service, legislation granting immunity to the gun industry would deprive them of their basic rights as American citizens to prove their case in a court of law. We stand with officers McGuire and Lemongello in urging you to oppose such legislation.

Sincerely,

International Brotherhood of Police Officers (AFL-CIO Police union); Major Cities Chiefs Association (Represents our nation’s largest police department); National Black Police Association (Nationwide organization with more than 35,000 members); Hispanic American Police Command Officers Association (Serving command level staff and federal agents); National Latino Peace Officers Association; The Police Foundation (A private, nonprofit research institution); The National Association of Chiefs of Police; Rhode Island State Association of Chiefs of Police; Maine Chiefs of Police Association. Departments listed for identification purposes only:

Sergeant Moises Agosto, Pompton Lakes Police Dept. (NJ); Sheriff Robert A. Alexander, Summit County Sheriff’s Office (OH); Sheriff Thomas L. Altieri, Trumbull County Sheriff’s Office (OH); Detective Anthony Brasier, Rochester Police Dept. (NY); Sheriff Joseph J. Canzoneri, Providence Police Dept. (RI); Sheriff J. B. Celebute, Blackstone Police Dept. (MA); Sheriff Kevin A. Beck, Williams County Sheriff’s Office (OH); Detective Sean Burke, Lawrence Police Dept. (MA); Sheriff William Bratton, Los Angeles Police Dept. (CA); Special Agent (Ret) Ronald J. Brogan, Drug Enforcement Agency; Chief Thomas V. Browne, Amsterdam Police Dept. (NY).

Chief (Ret) John H. Cease, Wilmington Police Dept. (NC); Sheriff Michael Chiodo, Portland Police Dept. (ME); Chief William Citty, Oklahoma Police Dept. (OK); Chief Kenneth V. Collins,
Chief Calvin Johnson, Dumfries Police Dept. (VA); Chief Daniel Fagan, Boston Police Dept. (MA); Chief Jerry G. Gregory (ret.), Rainfor Township Police Dept. (PA); Chief Jack F. Harris, Phoenix Police Dept. (AZ); Chief Albert McManus, Minuteman Park Police Dept. (KS); Detective Curt D. Matsumoto, Ketchum Police Dept. (ID); Detective Michael T. Matulavich, Akron Police Dept. (OH); Chief Michael T. Manger, Montgomery County Police Dept. (MD); Chief Burnham E. Matson, Alexandria Police Officers Association, Ft Worth Police Dept. (TX); Officer Rick L. Host, Sec/Treasurer, Iowa State Police Assoc. (Des Moines Police Dept. (IA)); Officer David Hummer, Chief, St. Louis Police Dept. (MO); Chief Thomas R. Percich, St. Louis Police Leadership Organization, St. Louis Police Dept. (MO).

Mrs. FEINSTEIN. This letter of opposition details the case that Senator KENNEDY mentioned, involving two law enforcement officers from Orange, NJ, and points out that that case would have been thrown out of court. It is signed by numerous chiefs of police and major law entities.

The American Bar Association states in their letter of opposition:

S. 397 would preempt State substantive legal standards for most negligence and product liability actions for this one industry, abrogating State law in cases in which the defendant is a gun manufacturer, gun seller, or gun trade association, and would insulate this new class of protected defendants from almost all ordinary civil liability actions.

It goes on to say:

There is no evidence that Federal legislation is needed or justified. There is no hearing or arguing record in existence to contradict the fact that the State courts are handling their responsibilities competently in this area of the law.

So all those people who believe in States rights are taking States rights away for the National Rifle Association.

The American Bar Association also says:

There is no data of any kind to support claims made by the industry that it is incurring extraordinary costs due to litigation, that it faces a significant number of suits, or that current State law is in any way inadequate. The Senate has not examined the underlying claims of the industry about State tort cases, choosing not to hold a single hearing on S. 397 or its predecessor bills in the two previous Congresses. More than 50 law professors point out this is a giveaway to one special industry that no other industry enjoys in the United States of America, and 30,000 people a year are killed with firearms in this country. I find it extraordinarily disillusioning.

I thank the Chair and yield the floor.
He provided Judge Roberts a copy of these questions last week when the two of them met and has stated that he will take “responsibility to make sure that those questions are answered.”

Any of our colleagues can, of course, ask what they want, but the notion that Judge Roberts puts his confirmation at risk if he does not answer the questions on the list from the Senator from New York is contrary to the traditional practice of this body. Nearly every single one of the questions involves an issue that is likely to come before the Supreme Court during Justice Roberts’s tenure. Every single Justice confirmed in recent memory has declined to answer questions of the sort contained on that list.

As Justice Ginsburg has noted:

In accord with longstanding norm, every member of the current Supreme Court declined to furnish such information to the Senate.

Every member of the Court has declined to answer such questions because it has long been understood that forcing nominees to take sides on issues while under oath compromises their ability to rule impartially in cases presenting those issues once they sit on the Court.

Judges are supposed to decide cases after hearing the evidence presented by the parties involved and the arguments presented by their lawyers. They are supposed to keep an open and impartial mind.

As Justice Ginsburg has also noted, “the line each [Judge] drew in response to preconfirmation questioning is . . . crucial to the health of the Federal Judiciary.”

Judges in our system are like umpires in a baseball game. They are not supposed to take sides before the game has begun. Judges are not, for example, supposed to pledge to the Senate that they will be “on the side of labor” or “on the side of corporations” once confirmed to the bench. We should not demand of judges that they are biased on behalf of a particular party before they have even gotten to the bench and heard the facts and the arguments of counsel.

The only side that a judge should be on is on the side of the law. Indeed, that is the oath that each of them take when they are sworn into office. Sometimes labor will win in court, and sometimes they should lose. Sometimes labor should win in court, and sometimes labor should lose. But it depends on the facts of the case and on the law that applies to those facts. Any judge worth their salt would decline to make a commitment ahead of time about how that hypothetical controversy would come out, not knowing what those facts are or how the question would be presented.

The Senator from New York has said that his questions do not threaten Judge Roberts’s impartiality because he is not asking about specific cases that are already pending before the Supreme Court. He acknowledges that asking questions about those cases—in other words, cases that are actually pending—would be inappropriate. But I would ask my colleague to review, as I have, the Supreme Court’s pending cases for the session set to begin in October because it clearly shows that this proposed list of questions would force Judge Roberts to prejudge the very pending cases that the Senator has said should be off limits.

Take, for example, the question of whether Judge Roberts “believes Roe v. Wade was correctly decided.” That is one of the Senator’s questions. The Senator has said specifically that this is a “question that should be answered.”

Demanding that Judge Roberts answer questions about Roe v. Wade will undoubtedly force him to prejudge a case that is currently pending on the Court’s docket. On November 30, the Supreme Court will hear arguments in Ayotte v. Planned Parenthood, a case involving the constitutionality of a New Hampshire law requiring a minor to notify her parents before having an abortion.

It is nearly certain that some party in that litigation, perhaps even an amicus party, will ask the Court to revisit or overturn Roe v. Wade because one party does so in nearly every abortion case that reaches the U.S. Supreme Court.

Thus, whether Roe v. Wade should be overturned is not only an issue likely to come before the Court during Judge Roberts’s tenure, it is already before the Court.

Accordingly, demanding an answer to a question about Roe v. Wade will force Judge Roberts to prejudge at least one of the issues in the Ayotte case, and, no doubt, many others while he is on the bench.

Perhaps an even better example is the Senator’s question about whether “the Americans with Disabilities Act requires States to be accessible to the disabled . . . or [whether] sovereign immunity exempts the States?” Again, on November 9, the Supreme Court is scheduled to hear a case called Goodman v. Georgia, a case involving a suit by a disabled prisoner against the State of Georgia. The only question in that case is whether the Americans with Disabilities Act requires States to make prisons accessible to the disabled. Again, this is precisely the question that the Senator warned Judge Roberts that he would not have to answer but which, in fact, he is now being asked to answer.

It is clear then that the questions proposed by the Senator from New York will force Judge Roberts to prejudge pending cases. This is something that surely all of us can agree is inappropriate. Thus, surely all of us can agree in this Chamber that Judge Roberts should be permitted to decline to answer large numbers of the questions that the Senator from New York has said he will ask him and others like those questions.

But once it is acknowledged that Judge Roberts should be permitted to decline to answer the questions involving issues already pending before the Supreme Court, it becomes clear that Judge Roberts should be permitted to decline the rest of the questions proposed by the Senator from New York.

There are literally hundreds of cases at this very moment in lower Federal courts raising virtually all of the questions posed by the Senator from New York. Judge Roberts should not be forced to guess what he will or will not one day make their way to the High Court. This is why the Canons of Judicial Ethics counsel judges against answering questions about issues that are not only already before the Court, but also those that are likely to come before the Court.

Any case pending in the lower courts meets this definition because it could be and, indeed, many will be appealed to the U.S. Supreme Court.

Indeed, the danger of demanding that Judge Roberts answer such questions, even though some may not now be pending before the Court, is clear from an event involving one of the sitting Justices, Justice Scalia.

Two years ago, after delivering a speech, Justice Scalia was asked whether he thought the phrase “under God”—that is the reference in the Pledge of Allegiance—was constitutional. There was not at that time any case involving that question before the Court, so Justice Scalia answered the question. But there was, as it turns out, a case involving that precise question pending before a lower Federal court and, as we all know, that case eventually made its way to the Supreme Court. As we also know, Justice Scalia was then forced to recuse himself from hearing that case because the rules of ethics prevent judges from publicly commenting on pending or impending cases.

We should not force Judge Roberts to choose between confirmation and recusal. If Judge Roberts is forced to recuse himself in all of the cases, all of the issues on the Senator’s list, then the Supreme Court will be left short-handed for much of his tenure.

The Senator from New York says that his list includes some of the most important questions of the day, and that may well be true. But surely we can agree in this Chamber that Judge Roberts should be permitted to decline to answer questions that might call into question his impartiality at a later date. We have always respected the right of nominees to decline to answer questions that make them feel as though their ability to do their job is compromised. That is the interest of a value that we all hold dear, and that is the independence of the judiciary.
I hope and expect that we will not break that longstanding tradition with Judge Roberts.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. Murkowski). The quorum call will now be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Madam President, the current Congress has taken a stand against frivolous lawsuits, and we have done so in a number of ways as we paint a portrait of the fact that frivolous lawsuits today are not in the interest of the American people. We addressed it in class action reform. We addressed it to a degree with bankruptcy reform, returning to personal responsibility to do it with asbestos reform, an issue that has for the last 10, 15, 20 years unfairly resulted in the trial lawyers doing very well, but the patient with cancer, mesothelioma, not being compensated, the victims not being compensated. We will be addressing that at some point in time, hopefully in this Congress, and then gun liability, the Protection of Lawful Commerce in Arms Act, which is being addressed today and tomorrow and possibly the next day.

The bill has been defeated at the frivolous lawsuits that today are aimed at gun manufacturers and people who are selling firearms. The bill places responsibility on the criminal for the unlawful use of guns, and that is where that responsibility belongs.

Many people believe that the whole gun manufacturing industry is a hugly profitable industry, and that is wrong. It is not. The gun industry is relatively modest. In 1999, the most recent year I have seen, there was an industry total of about $200 million. If we put all the manufacturers of firearms together, they would not even make the Fortune 500 list.

More important than size is the hard-working people who are manufacturing guns. I have had the opportunity, as many of our colleagues have, to go to these wonderful facilities with hard-working Americans, typically in rural communities, who are manufacturing and producing these guns.

The firearm maker I visited was in a rural area with not that many employees. They were putting together shotguns which many of us use to hunt over the course of the year. Right now my favorite recreation is taking my sons hunting on the weekend, to be together and share fellowship.

I mention that because when one tours these gun manufacturing facilities, they realize that frivolous lawsuits drive people out of the business, which is a loss of jobs. Those jobs happen to be predominantly in rural communities. Anti-gun crusaders say that the firearm business, which today is one of the most regulated industries in America, should be responsible for the criminal acts of others. They believe it is OK to use lawsuits to circumvent the democratic process and legislate actually from the bench, and they say so themselves.

If we turn to the trial attorneys and look at the quotations, one trial attorney claims that what has happened is that the legislatures have failed. Lawyers are taking up the slack, said the trial attorney. Another anti-gun trial lawyer says that trial attorneys are the "new arm of government," replacing the legislative branch "that's not working anymore." These trial attorneys apparently believe they are above the voters, that they are above the legislative process. I do not agree, most Americans do not agree, and thus, we have the bill today.

Most Americans think there is too much litigation and not too little litigation in this country. Legislatures in 33 States have attempted to preempt frivolous gun lawsuits. They recognize that our Constitution protects the right to keep and bear arms. In fact, 53 percent of American households today own a gun. Still, the anti-gun crusaders, aided and abetted by powerful trial lawyers, charge ahead. They know that all it takes is one successful lawsuit to drive a manufacturer out of business. As one chapter of the United Steelworkers of America points out, "we just got one defeat away from bankruptcy.

Since 1997, more than 30 cities and counties have sued firearms companies in an attempt to force them to change the way they make and sell guns. Firearm manufacturers have already spent more than $200 million in legal fees to defend themselves. Meanwhile, most of these cases have been dismissed. The Supreme Court of New York says: [The] courts are the least suited, least equipped to regulate the manufacture and sale of handguns.

The Florida Third District Court of Appeals agrees, adding: The power to regulate belongs not to the judicial branch of government but to the legislative branch.

Some cases, however, are still pending and are slated to go forward. Thus, it is critical that we act now, that we pass this legislation now. We all agree that guns need to be kept out of the hands of criminals, and that is why we have innumerable, countless laws and regulations to stop illegal gun sales. But we also cannot prevent guns from reaching the hands of criminals, and no one in any way deserves to be harmed by a criminal wielding any kind of a weapon, be it a gun or a knife or anything else. But we have to place the blame where it belongs, not on the people working in that factory I visited that makes these firearms. We need to place it at the feet of the violent criminals themselves, those who commit the crimes and threaten our communities. They are the ones responsible. They are the ones who should be held accountable.

Mr. MCCONNELL. Madam President, I rise to speak on the nomination of Judge John Roberts to be the next Justice of the Supreme Court of the United States. As we are beginning to learn, the President has selected one of the foremost legal minds of his generation. Many of my colleagues have already spoken Judge Roberts' praises on July 27, 2005
As we know, the ACLU takes consistently liberal positions on high-profile issues, positions that many Americans strongly disagree with. I respect that, I do not often agree with the ACLU, but its members believe strongly, and they fight for their beliefs. There is certainly nothing but admiration we can have for that.

During Justice Ginsburg’s tenure as a general counsel and a member of its board, the ACLU, for example, opposed restrictions on pornography. Yet even though the ACLU supported controversial policy positions, the Senate did not attribute them to Justice Ginsburg, let alone disqualify her from service on the Supreme Court because of them.

In addition, this country values a healthy “market-place of ideas.” So, the Senate did not block Justice Ginsburg’s nomination because she made controversial and thought-provoking statements in her private capacity as a lawyer, as her client had adopted controversial positions. Indeed, Senator Thurmond, asked Justice Breyer about Roe v. Wade, a case that had been decided 21 years earlier. Like Justice O’Connor, Justice Breyer declined to answer the question, stating:

The questions that you are putting to me are matters of how that basic right applies, where it applies, under what circumstances. And I do not think I should go into those for the reason that those are likely to be the subject of litigation in front of the Court.

Senator Thurmond respected Justice Breyer’s position, and did not hold against Justice Breyer his decision not to answer that question. Other Senators did the same on a host of issues. Justice Breyer also declined to give his personal views. He explained, “The reason that I hesitate to say what I think as a person as opposed to a judge is because down that road are a whole host of subjective beliefs, many of which I would try to abstract from.” As result, he declined to give his personal views on whether the death penalty was cruel and unusual, what the scope of the exclusionary rule should be and whether he supported tort reform.

Justice Ginsburg also invoked her prerogative not to answer questions that could compromise her independence, and both sides of the aisle respected her decision. Indeed, Senator Biden, who was then chairman, encouraged her not to answer questions that would preview her position on a legal issue. He told her:

I will have statements that I made during the process read back to me. But I do think it is appropriate to point out, Judge, that you not only have a right to choose what you will answer and not answer, but in my view you could not answer within what your view will be on an issue that clearly is going to come before the Court in 50 different forms, probably, over your tenure on the bench.

Justice Ginsburg’s effort to remain unbiased—like Justices O’Connor and Breyer—included not commenting on cases that had already been decided.
For example, Justice Ginsburg was asked how she would have ruled in Rust v. Sullivan, an abortion case that had already been decided. She declined to answer, explaining her position with a metaphor of the slippery slope:

"I sense that I am in the position of a skier at the top of a hill, because you are asking me how I would have voted in Rust v. Sullivan. Another member of this committee would like to know how I might vote in that case on another slope. I have resisted descending that slope, because once you ask me about this case, then you will ask me about another case that is over and done, and another case proper can be followed on the question here, if I tell this legislative chamber what my vote will be, then my position as a judge could be compromised.

Indeed, Justice Ginsburg declined to comment 55 times on a variety of legal questions. That is 55 times. These included: If the second amendment guarantees an individual right to bear arms; If the death penalty is cruel and unusual punishment under the eighth amendment; If school vouchers for children are constitutional under the Establishment Clause; If the Supreme Court had interpreted too narrowly the Voting Rights Act; If the first amendment was intended to erect a wall of separation between church and state; and If the Federal Government may prohibit abortion clinics from using Federal funds to advocate performing abortions.

That is a lot of "ifs" she declined to answer, and yet was confirmed overwhelmingly.

Both Justices Ginsburg and Breyer were reported out of the committee promptly; Republicans did not try to delay the committee vote. Nor did Republicans try to deny these nominees the courtesy of an up-or-down vote on the Senate floor.

As I mentioned, Justice Ginsburg was confirmed 96-3 after 2 days of debate. Justice Breyer was confirmed 87-9 after only 1 more day of debate. By giving these nominees up-or-down votes, the Senate continued the practice it had followed with even contested Supreme Court nominees, like Robert Bork and Clarence Thomas. The average time for Senate consideration of the Ginsburg and Breyer nominations was 58 days. For Justice Ginsburg's nomination, the entire process lasted only 42 days from nomination to confirmation.

It troubles us on this side of the aisle, and it should trouble all Americans, that different standards are applied to different people for no valid reason. Unfortunately, this already appears to be happening with respect to the nomination of Judge John Roberts.

"Judge Roberts will no doubt be as forthcoming as he property can be when he testifies. However, as with all nominees, there are some questions that he will not be able to answer. His decision ought to be respected as were the decisions of Justice Ginsburg and Justice Breyer.

But our colleague Senator SCHUMER has declared that for this nomination—forget all the prior nominees—"Every question is a legitimate question, period." And he plans on asking Judge Roberts some 70 questions. These include specific issues that will likely come before the Court. In addition, he wants Judge Roberts to discuss how he would have voted in specific cases, such as New York Times v. Sullivan and United States v. Lopez.

If our friend from New York insists that Judge Roberts answers these types of questions, it will be a radical departure from the practice that the committee followed with Justice O'Connor, Justice Breyer, Justice Ginsburg and other Supreme Court nominees. These nominees were given discretion in not answering questions on issues that might come before the Court. It was agreed that it would be improper for a potential justice to pre-commit on a matter.

We on this side of the aisle are not asking the Senate to change its practices or standards. We are not asking the Senate to do something that we are not better than his immediate predecessor. We are asking for equal treatment. In short, we are simply asking that the Senate follow the Ginsburg standard, not a double standard.

I adopt the courtesy and respect the Senate showed President Clinton's nominees, and prior Supreme Court nominees, will continue with Judge Roberts. After all, it's only fair.

I yield the floor."

Mr. HATCH. Madam President, I rise today to express my continued, strong support of S. 397, the bill.

As I outlined yesterday, this legislation is a necessary and vital response to the growing problem of unfounded lawsuits filed against gun manufacturers and sellers. These suits are being filed in no small part with the intention of trying to drive them out of business.

These lawsuits, citing deceptive marketing or some other pretext, continue to be filed in a number of States, and the trend continues.

These lawsuits claim that sellers give the false impression that gun ownership enhances personal safety or that sellers should know that certain guns will be used illegally. That is pure bunk. Let's look at the truth.

The fact is that none of these lawsuits are aimed at the actual wrongdoer who kills or injures another with a gun—none. Instead, the lawsuits are focused on legitimate, law-abiding businesses.

It is this kind of rampant, race-to-sue mentality, that fuels our tort-happy, litigious culture. It has to stop.

In its Statement of Administration Policy, the White House has urged us to pass a clean bill, in order to ensure enactment of the legislation this year. Amendments that would delay enactment beyond this year are simply unacceptable.

The administration knows what we also know: This is a modest bill to help prevent the gun industry from a tidal wave of baseless lawsuits.

It is also highly relevant, I believe, that the leading suppliers of small
arms to our Armed Forces are the same targets of these reckless lawsuits: Betretta, Bushmaster, Remington, Smith & Wesson.

These are the companies we rely on for small arms for the military. But if the proliferation of lawsuits against manufacturers or sellers of guns continues, it could jeopardize the supplies we receive and need for our military.

This bill does nothing more than prohibit—with five exceptions lawsuits against manufacturers or sellers of guns for damages resulting from the criminal or unlawful misuse of nondefective guns and ammunition.

Let me repeat that: “resulting from the criminal or unlawful misuse” of nondefective guns and ammunition.

This bill is not a license for the gun industry to act irresponsibly. If a manufacturer or seller does not operate entirely within Federal and State law, it is not entitled to the protection of this legislation.

I should also note that this bill carefully preserves the right of individuals to have their day in court with civil liability actions where negligence is truly an issue, or where there were knowing violations of laws on gun sales.

It is also noteworthy that in a recent poll by Moore Information Public Opinion Research, 79 percent of Americans do not believe that firearms manufacturers should be held legally responsible for violence committed by armed criminals.

Seventy-nine percent!

And in this poll, 71 percent of Democrats hold this view. So this should not be a partisan issue.

Let me just read a postcard from one of the thousands of people who have written me in support of this bill from Utah. This Utahn, from the city of Hyde Park, writes:

Dear Senator Hatch: Please give your full support for gun control and for anti-gun sentiment. As a business woman I know the strength of America is productive businesses that keep America strong and my fellow citizens employed.

These are the people I represent. I not only represent them, I am proud to be one of them. I am proud to help small businesses. And I am proud to help gun owners.

Let me just say a word about the precedents for this legislation. Congress has the power—and the duty—to prevent activists from abusing the courts to destroy interstate commerce.

We did this in the General Aviation Revitalization Act of 1994 where we protected manufacturers of small planes against personal injury lawsuits. That act superseded State law, as does the gun liability bill.

There are many other precedents for abusive lawsuit protection, including light aircraft manufacturers, food donors, volunteer firefighters, medical implant manufacturers and makers of anti-terrorism technology, just to mention a few.

There is simply no reason the gun makers should have to continue to defend these types of meritless lawsuits. We must protect against the potential harm to interstate commerce. The gun industry has already had to bear over $200 million in defense costs thus far.

The better approach is a reason to grow a young abuse of our civil justice system.

The bill provides carefully tailored protections for legitimate lawsuits, such as those where there are knowing violations of gun laws or those of guns used for criminal or unlawful misuse.

We simply should not force a lawful manufacturer or seller to be responsible for criminal and unlawful misuse of its product by others. We do not hold the manufacturers of matches responsible for arson for this same reason.

Individuals who misuse lawful products should be held responsible, not those who make the lawful products.

In closing, I leave my colleagues with one last thought.

These abusive gun liability actions usurp the authority of the Congress and of State legislators. They are an obtrusive and pervasive attempt to enact restrictions that have been widely rejected.

It is for this reason that many States have enacted statutes to prevent this type of litigation. Congress should do the same.

As with class action lawsuits, the few States that allow jackpot jurisdictions can create a disastrous economic effect across the entire country, and across an entire industry.

We cannot allow this to happen. We must stop these abusive lawsuits.

I urge my colleagues to vote for this important legislation.

Madam President, I yield the floor.

The PRESIDENT pro Tempore. The Senator from Missouri.

Mr. BOND. I thank my colleague from Utah for relinquishing the rest of the time, and I join my colleague in strong support of S. 397, the gun liability bill. But I also wanted to address a topic that continues to draw much heat and discussion here on this floor and in the media. In the heat of political rhetoric over Iraq and the administration’s prosecution of the global war on terror, much has been lost and not all truths are being presented in this matter. Unfortunately, some are quick to exploit the situation in Iraq and the global war on terror and, by extension, the brave men and women prosecuting these conflicts as cannon fodder in their attacks on the President from the media and others. These folks hope to undermine the administration’s credibility with a keen eye on gaining political advantage. However, in the end, those efforts serve only to undermine the noble efforts of our Armed Forces, men and women who risk their lives, or early 1995, Saddam Hussein met with senior Iraqi intelligence officer in Khartoum. In March 1998, after bin Laden’s public fatwa against the United States, two al-Qa’ida members reportedly went to Iraq to meet with Iraqi intelligence. In July, an Iraqi delegation traveled to Iraq to meet first with the Taliban and then bin Laden. “One reliable source reported bin Laden’s having met with Iraqi officials, who ‘may have offered him asylum.’” These are quotes from the bipartisan 9/11 Commission Report published in July 2004.

I do not think one could argue that these facts are either agenda-driven or biased. These facts demonstrate that prior to the 9/11 attacks, al-Qa’ida and bin Laden himself maintained contacts with the Iraqi regime and that the Iraqis even offered to harbor bin Laden. Accordingly, a categorical denial that “Iraq had nothing to do with 9/11” cannot be made responsibly.

Instead, the terrorists wish to distort Islam’s true meaning, wage an unholy war against Iraq’s Shi’a, and induce a sectarian civil war during the aftermath of which the terrorists would like to establish a Taliban-like state in Iraq. These same terrorists are also motivated by their desire to evict U.S. forces not only from Iraq but from the Greater Arab Middle East, and they view our mission in Iraq as an act of occupation when it is a battle of liberation. The battle is one of hearts and minds; a battle, however, that the Iraqi people are determined to win, along with our assistance, as demonstrated
by the 58-percent voter turnout in January, where they elected a new national government, and also by the continuing willingness of Iraq’s—face the danger of terrorist suicide attacks—to sign up to serve to keep the peace.

But terrorism is not a new phenomenon in Iraq. Chief among the terrorists in Iraq today, Abu Musab al-Zarqawi, was known to have been in Baghdad since at least mid-2002. You might ask, how can a terrorist of Zarqawi’s notoriety operate, let alone live, in a Stalinist police state such as that of Saddam’s Iraq, without the former regime’s knowledge, if not consent. The answer is simple. Saddam knew Zarqawi was there, undoubtedly. When asked about Iraq’s al-Qaida relationship by CNN’s Wolf Blitzer, on February 5, 2003, the vice chair of our Senate Intelligence Committee agreed that his presence in Iraq before the war was troubling. He said, ‘‘The fact that Zarqawi to bin Laden was at rest, in fairly dramatic terms, that there is at least substantial connection between Saddam and al-Qaida.’’

However, long before Zarqawi descended upon Iraq, Abu Nidal, the secular terrorist leader and founder of the Abu Nidal organization, lived in Iraq from 1998 until he died in 2002. Over the years, that organization carried out terrorist attacks in 20 countries, killing or injuring almost 900 people, including hijacking of Pan Am flight 737 in Karachi in 1986 and the assassination of a Jordanian diplomat in Lebanon in 1994. Abu Nidal was arguably the world’s most ruthless terrorist until the rise of Saddam Hussein. He lived and flourished in Saddam’s Iraq for 4 years.

In 1993, the Iraqi Intelligence Service directed and pursued an attempt to assassinate, through the use of a powerful car bomb, former President George Bush while he was in Kuwait. However, authorities thwarted the terrorist plot and arrested 16 suspects led by two Iraqi nationals.

Finally, Abdul Rahman Yasin, who was indicted in the United States for mixing the chemicals in the bomb that exploded beneath the World Trade Center in 1993, arrived in Baghdad during July of 1994. Upon his arrival, Yasin traveled freely and received both a house and a monthly stipend from the Iraqi authorities. As a result of his activities, Saddam’s Iraqi survey group who went in and looked at the situation in Iraq after we occupied it, Dr. David Kay, noted, ‘‘It was reasonable to conclude that Iraq posed an imminent threat. What we learned from the inspection of Iraq a more dangerous place potentially than in fact we thought it was even before the war.’’ He went on to say, ‘‘I think the world is far safer with the disappearance and removal of Saddam Hussein. This may be one of these cases where he was more dangerous than we thought.’’ The head of the Iraqi survey group.

Next contention: Iraq would have supplied WMD to terrorists. During that same hearing Dr. Kay added, ‘‘After 1998, Iraq became a regime that was totally corrupt. Individuals were out for their own protection, and in a world where we know others are seeking WMD, this might happen at some point in the future of a seller and a buyer meeting up would have made Iraq a far more dangerous country than even we anticipated.’’

The 9/11 Commission during the 1990s found:

Bin Laden sought the capability to kill on a mass scale. Bin Laden’s aides received word that a Sudanese military officer who had been a member of the previous government was offering weapons-grade uranium. After a number of contacts were made through intermediaries, the officer set the price at about $1.5 million which did not deter Bin Laden. Al-Qaida representatives asked to inspect the uranium and were shown a cylinder about 3 feet long and one thought he could pronounce it genuine. Al-Qaidas apparently purchased it, and it turned out that it was not a legitimate one.

Given al-Qaida’s demonstrated desire to acquire WMD and the Iraqi Government’s likelihood of sharing WMD technical data, the Iraqi’s offer of a sample with the price one for the right price, no one can dispute that the liberation of Iraq from Saddam’s dictatorial and corrupt regime was a prudent offensive strike in the war on terror.

Finally, some would argue Iraq is a quagmire and not winnable. But listen to the troops. They say otherwise. These are the boots on the ground, the soldiers, the marines. During a recent trip to Iraq, journalist Michael Graham was struck by how little of all this had sunk in with truth about the issues and facts at hand. He asked: ‘‘Where did we go wrong?’’ And where did you go wrong? He went on to say that these 100 American troops made the following points: We believe in the mission. We are making progress. The Iraqis are making progress too. We are going to win.

I believe that article says it all. Michael Graham’s sampling of U.S. military personnel was random, varied, not controlled by the Pentagon. The sample may be small, but 100 troops believe in the war in Iraq and that we are going to win.

History teaches us that the first casualty of war is truth. The first casualty of political battles can often be the men and women fighting the real battles while executing our Nation’s policies. Let us not debase the memories of those who have laid such a sacrifice on the altar of freedom with meaningless finger-pointing exercises. Let’s speak with truth about the issues and facts at hand.

The PRESIDING OFFICER. The Senator’s time has expired.

Mr. BOND. I thank the Chair, and I yield the floor.

EXHIBIT 1

HANDING OVER THE MIC

TROOPS TALK FROM IRAQ

(By Michael Graham)

I just spent a week in Kuwait cultivating a skill that I, as a talk-show host, have found nearly impossible to master: Shut-uping.

Turns out, it was easier than I thought, at least in Iraq. When you’re listening to a 20-year-old kid from Indiana tell how he earned his second Purple Heart, speechlessness is the natural reaction.

I was there as part of the much-maligned ‘‘Truth Tour’’ organized by Move America Forward, a conservative group based in California. According to reports in the mainstream media, I was part of a ‘‘propaganda’’ junket paid for by the Pentagon to buy some desperately needed positive coverage of the unwinnable military endeavor. All I can say is: If this was a junket, it was the worst-run junket in the history of public relations.

My radio station and I had to pay all my expenses, I slept on a bare cot in a tent in the desert, and at some locations the only available ‘‘food’’ (and I use that term under protest) were MRs—which stands for ‘‘Meals Ready to Eat’’—assuming you’ve already eaten both shoes and most of your undergarments.

This alleged ‘‘junket’’ failed in another way, too. The Pentagon didn’t control what went out over the airwaves. Then again, neither did I. I left it all up to the soldiers.

I traveled about Iraq from Camp Victory at the Baghdad International Airport to Camp Prosperity on the very edge of the Red Zone, then down the Baghdad Highway to Camp Falcon, and on to the Command Head- quarters in the heart of the city and, eventu- ally, to the deserts of Kuwait and Camp Arifjan. And everywhere I went, I flipped on my mic, sat back, and let the troops tell their story.

These soldiers weren’t stooges from Public Affairs or handpicked flag waving fans on me, media handlers. I found some in the mess hall, others working security checkpoints; others sought me out because they have fam- ily living in the D.C. area where my radio show is broadcast. The least fortunate were the soldiers in Humvees stuck with ‘‘tourist duty,’’ four friendly but serious young men who got stuck with a couple of bonehead radio show hosts riding along, and yet they over-whelmingly had the same things to say about the war in Iraq.

‘‘We believe in the mission.’’ ‘‘We’re making progress.’’ ‘‘The Iraqis are making progress, too.’’

And, perhaps most important of all: ‘‘We’re going to win.’’

I expected to hear this sort of positive assessment from General George Casey, com- mander of operations in Iraq, when I inter- viewed him at his headquarters deep inside the International Zone. As it turned out, that, one year ago, there was just one standing battalion in the Iraqi army, but there are
107 battalions today, he was doing his job of supporting the war. And I expected it from Lt. General Steve Whitcomb, commanding general of the 3rd Army, as he talked about successes under more than one million gallons of fuel across Iraq every day, despite the best efforts of the insurgents.

Generals are supposed to be gung ho. It comes with the territory.

But I heard the same, positive assessments from 23-year-old sergeants from New Iberia, La., and from PFCs from Wisconsin and Alabama. From Lt. Martin Li, whose Humvee had been hit by IEDs so many times he’d lost count. I heard it from Airmen Truong, who was born in Vietnam and recently returned to his native country to marry. Two weeks after “I do,” Airmen Truong was headed back to Kuwait to do his duty for his adopted country.

Again and again, from “white-collar” soldiers working in the relative safety of Camp Victory at the Baghdad airport to the “real soldiers patrolling Route Irish (a.k.a the “Highway of Death”), I heard that America and their Iraq-army allies are winning the war against the insurgents. I was told again and again, by the soldiers themselves that their (our) cause is just, the strategy is working, and the enemy they fight represents evil itself.

In other words, I heard things seldom heard on CBS or read in the pages of the New York Times.

It was only a week, and I have my obvious Bush-bashing-cheering bias, but how much closer can a reporter get to delivering unspun, bias-free objective reporting than live-mic broadcasting instantly back to the states, no filters or editorial meetings. Just the young men in the hot desert telling what they’ve seen, what they’ve heard, and what they now believe based on those experiences.

Isn’t it at least significant that not one in 100 thought invading Iraq was a mistake? Was it merely a coincidence that a random selection of 100 soldiers all believe their mission is worthwhile? Should we detect the hand of the Vast, Right-Wing Conspiracy in the fact that the vast majority of the troops feel the media coverage of the war ignorant, harmful, or both?

I’m proud to say that, for a week, the soldiers told me what they were doing in their own words. I was told by a major daily newspaper or a national network, I would be concerned that what they said is contrary to what I am printing or broadcasting. But the mainstream media don’t need to hear from the soldiers. They already know that the war was a terrible mistake, that the world would be safer if we’d left Saddam in power, and that there is no chance for victory in Iraq.

Me, I’m not so smart. I like to let the guys on the ground tell their story. I believe it is completely possible that they know something that I—and the New York Times editorial page—does not.

The PRESIDING OFFICER (Mr. Chafee). The next hour is controlled by the minority.

The Senator from Minnesota.

Mr. DAYTON. Mr. President, I am one of those who, along with a number of my colleagues, who believes we should be debating not this gun liability bill but the Department of Defense authorization bill for the coming fiscal year. I serve on that committee. It was a good bipartisan effort. I was planning to offer an amendment to add $120 million for childcare and family support for the families of reservists and National Guard men and women who are called to active duty. Others had amendments, including one regarding BRAF, of particular note to me and others in Minnesota affected by that process.

But we are not on that bill. Instead, we are dealing with the most special interest legislation I have encountered in my 4½ years in the Senate. We are going to leave at the end of this week for a month and we have one last window of opportunity to take up what has repeatedly been the most important measure before the Nation and the Senate. Instead, we get this special interest bill.

We are not on stem cell legislation that would allow us to create a medically and scientifically based framework to protect the sanctity of human life or prohibit cloning, and yet still allow medical research that could save many thousands of lives for years to come. That is not the Republican leadership’s top priority.

Nor is the constitutional amendment to prohibit the burning or desecration of the American flag, of which I am a proud cosponsor, brought to the Senate. In my 4½ years in the Senate, not once has there been a measure to secure our democracy by allowing the United States to vote for a president by popular vote—by giving special immunity from the Constitution to the Senate for an up-or-down vote by the Senate. Evidently it won’t happen this week, either, because, again, that does not rate as a top priority.

No, according to the Republican leadership, the most important issue facing America and earning the most urgent attention of the Senate is the supposed need to give special immunity from the standards for negligence and product liability that apply to all other businesses and all other products. When this legislation passes, and it will pass with ease, because the NRA, National Rifle Association, has the money and the political clout to get whatever it wants, the House of Representatives, the Senate, the court of law will now unnecessary, unfair, or ill advised is this, this bill will soon become the law of the land.

One of its findings is:

(5) The liability actions commenced or contemplated by the Federal Government, States, municipalities, and private interest groups and others are based on theories without foundation and hundreds of years of common law and jurisprudence of the United States and do not represent a bona fide extension of the common law. The possible expansion of the common law. The possible sustaining of these actions by a maverick judicial officer or a petit jury would confound civil liability in a manner never contemplated by the framers of the Constitution, by Congress, or by the legislatures of the several States.

Such an expansion would constitute a deprivation of rights, privileges and immunities guaranteed to a citizen of the United States under the Fourteenth Amendment to the United States Constitution.

It goes on to say the one of the purposes is to preserve a citizen’s access to a supply of firearms and ammunition for all lawful purposes, something I certainly support.

It goes on to say the purpose is to protect the right under the first amendment of the Constitution of manufacturers, distributors, dealers, and importers of firearms or ammunition products, and trade associations to speak freely, to assemble peacefully, and to petition the Government for redress of their grievances.

This legislation is supposedly necessary to protect the rights of people in the lawful business of manufacturing, distributing, or selling firearm and buying the same.

In the manufactured hysteria of this fabricated crisis, the Government or a majority of it will pass a legislation evidently is threatening to violate the first amendment, the second amendment, and the 14th amendment rights of all gun manufacturers, distributors, and dealers in the United States of America. What utter nonsense. But if the National Rifle Association says the sky is green and the grass is blue, the majority of Congress will run for the paint.

I strongly support the second amendment of the U.S. Constitution. I am, a gun owner myself. This bill does not benefit gun owners or hunters, who are most of the NRA members. They are being used to give special favors and special treatment to someone’s special friends and someone’s big contributors.

Last year, according to industry data, there were over 1.3 million hand-guns sold in the United States. That is just handguns. Sales totaled $605 million. The sales of rifles and shotguns last year totaled $1 billion. The number of long guns sold was not available, but simple math puts that number well over 2 million rifles and shotguns sold in the United States last year.

Given that volume of sales and weapons available, can anyone believe any law-abiding American’s constitutional right to lawfully purchase and own as many guns as he or she wants is being endangered? What nonsense. Absolute nonsense.

Our major gun manufacturers are certainly not in danger. Smith and Wesson’s most recent annual report showed net product sales of $118 million last year, an increase of almost 20 percent over the previous year.

Sturm, Ruger and Company on July 20 of this year reported net sales for the 6 months ended June 30, 2005 as $78.7 million, an 8-percent increase over 2004, and the chief executive stated firearm unit shipments in the second quarter increased $1 million from the prior year due to strong demand.

This is not an industry being hounded out of business. Would the industry like to rid itself of all lawsuits stemming from products and sales? Of course, and so would every other industry and company in America. I am not here to defend our Nation’s litigation practices, which are often excessive and sometimes even extreme, but whatever so-called reforms are made should apply to everyone. Gun manufacturers can only protect the people who make and sell potentially dangerous products or products that can be used illegally and misused. And
judges and juries are not indiscriminately finding against gun manufacturers. Most are probably gun owners and hunters as well.

Despite what the NRA peddles to its members to justify its existence and their annual amendment is accepted and respected by the overwhelming majority of Americans and there is no threat to responsible manufacturers, dealers, lawful buyers, or owners of the millions of guns in America. There is no justification for this special legislation and the special treatment it gives to that industry.

Of course, the gun industry is accustomed to getting special treatment from Congress. Firearms and tobacco are the only two consumer products specifically exempt from regulation by the Consumer Products Safety Commission. What an exemption. I have to hand it to the NRA, whether I agree with them or not, they sure know how to operate around here. Many industries and even individual corporations pour a lot more money into lobbying and into political contributions than the NRA and they do not get nearly the special treatment, special favors from Congress the gun lobby does—a complete exemption from consumer product safety laws and regulations, and now almost complete immunity for lawsuits from negligence or product malfunctions. All other businesses and industries in America are in discount coach while the gun lobby has special privileges flying first class on Air America under this Congress and preceding Congresses.

It is because there is that exemption from the consumer product safety laws of this country that some of these lawsuits, not frivolous, but determined by a judge or jury through the process to be legitimate and bona fide, and the resulting civil damages are necessary to move the industry to take some of the safety actions it can technologically and financially certainly afford to make that it probably would not do otherwise.

For example, take Bushmaster. Their dealer lost the sniper’s assault rifle along with 238 other guns that were then used by the snipers against the innocent victims in Washington, DC. As a result of its settlement with the victims of those families, they agreed also to inform their dealers of safer sales practices or they will suffer the same losses to other criminals from obtaining the guns, something that had never been done before.

In June of 2004, two former New Jersey police officers were shot in the line of duty with a trafficked gun negligently sold by a West Virginia dealer. They won a $1 million settlement, and the dealer who sold the gun, along with 11 other handguns in a cash sale to a straw buyer for a gun trafficker—after that lawsuit that dealer, as well as two other pawnshops, agreed to implement safer practices to prevent sales to traffickers, including a policy of ending large-volume sales of handguns.

In 2004 also, Tennille Jefferson, whose 7-year-old son was unintentionally killed by another child with a trafficked gun, won a settlement from a gun dealer that amounted to $850,000. The handgun was one of many the dealer sold to the trafficker despite clear evidence of the underground market. That, too, resulted in changes in policies and sales practices that hopefully will prevent other mothers from suffering that terrible fate of losing a child.

I am not aware of any one of those cases filed against the manufacturers or dealers is proper. Again, that is for the process to determine. But there is no evidence, no evidence at all, that there is anything about the nature of these suits, the outcomes of them, the jury awards relative to the damages that have occurred, that indicates this industry is being prejudiced or plagued by those who they contrive to be doing so, to justify this legislation. If we are told that as soon as I can think of something would just go straightforward with the concept they are more important to the Senate calendar than the fighting men and women who are now risking their lives for our country. They have done it many times.

The NRA runs certain people in this Chamber and on the other side when it comes to the agenda. They decide what will be taken up and what amendments will pass—an extremely powerful group. The NRA succeeded in having the Senate debate guns—and that is a rare debate—but only when it comes to this question of gun immunity.

Isn’t it interesting, we want to put an amendment on this bill that says when you sell a firearm you have to check to see if the purchaser is on a watch list of terrorists. Is that unreasonable? If you have computer access through your store—and these stores do—shouldn’t you check to see if that someone standing in front of you is on the watch list for terrorism in America? That concept is rejected by the National Rifle Association. Background checks: extremely limited. Information gathered about criminal people is to be destroyed so quickly that it is of little value to law enforcement.

A March 2005 report from the Government Accountability Office found that between February and June of 2004, 3,092 out of 5,600 U.S. listed terrorists applied 44 times to buy guns. It is not unheard of. It happens in this country. In only nine instances were they turned down. In the months since the study ended, 12 more suspected terrorists had the green light to buy or carry guns.

FBI Director Bob Mueller—who I respect very much—said he was forming a group to study the problem. Why aren’t we talking about this instead of granting immunity for the gun dealer who sells a weapon to someone he should have known could misuse it for a crime or for terrorism? We are shielding them from civil liability for not
living up to their responsibility when it comes to the sale of lethal firearms.

Or we could talk about ways to solve the problem in America of guns being trafficked, many crossing State lines, and used in crimes. The ATF says 90 percent of the handguns used in crimes were used by persons other than the original purchaser, other than “straw men,” people who bought them to sell to criminals. One-third of all crime guns cross State lines.

In Illinois, 77 percent of guns traced to crimes committed in Illinois originated in other States. One State—Mississippi—the little State of Mississippi—is far and away the per capita leader in selling guns exported from their State and used in crime. Do you know why? Because firearms laws are not really strictly enforced in Mississippi, and some other States.

From 2000 to 2002, Department of Justice prosecutors filed three cases in Mississippi for violations of gun trafficking laws. In contrast, 32 cases were filed in Kentucky, 28 in Tennessee. So we have gun dealers in Mississippi selling truckloads of guns to people who get on the bus and drive up to Illinois and, perhaps, your State, too, selling them to gun gangs and drug gangs on the streets, and then spreading out these guns to kill innocent people. And the people pushing this bill are arguing that we should not hold those firearms dealers responsible because they did not “know” that a crime was going to be committed.

One hundred “Saturday night specials” to stick in the trunk of your car, junk guns, that you would never use for sports or hunting, and they didn’t know? They should have known. That is a standard in law almost everywhere: that you knew or should have known. They are changing the law. They say firearms dealers, we are not going to hold them to this same standard that we hold every other business in America to when people buy products.

There are a lot of other issues we could talk about, the gun show loophole, and others. But I think one of the most important things we could talk about is why this bill is on the floor today. It is not because gun manufacturers and gun dealers are facing bankruptcy and a lot of litigation. I read into the RECORD yesterday—and will not repeat—the major gun manufacturers in this country have no problems in terms of profitability. In fact, one of the leading companies, Smith & Wesson, said:

In the nine months ended January 31, 2005, [Smith & Wesson] incurred $4,535 in [legal] defense costs, net of amounts received from insurance to offset to product liability and municipal litigation.

Mr. President, $4,500—does that sound like a business crisis that would move a gun immunity bill to the front of the calendar in front of the Department of Defense authorization bill? What it comes down to is this gun lobby has a lot of clout, and they are pushing for this sweeping immunity.

What kind of cases are we talking about? I said to my staff, you can talk about the law. And I could stand here as a person trained in law school and go through the obvious problems with this bill. But I think it is more important to talk about real-life situations. It is more important to illustrate of why this is such a terrible bill.

Let me tell you about Anthony Oliver. Anthony Oliver was 14 years old. He was shot and killed on July 23 of last year. But before that they bought Lou’s “Saturday night special,” one of those cheap guns just used for crime. They traced it to Lou’s Jewelry and Pawn store in Upper Darby, PA. From 1996 to the year 2000, this pawnshop in Pennsylvania sold 441 guns traced to crime. In 2003, a Pennsylvania judge in Philadelphia sentenced a gun dealer in Pennsylvania in selling guns to criminals and 43rd in the Nation among all gun dealers.

In 2003, the last year for which we have statistics, Lou’s sold 178 guns traced to crimes, less than 1 percent of the more than 3,000 sellers in Pennsylvania sold even one gun traced to crime. So you have a handful of dealers, just a small percentage, who are not paying attention or ignoring openly the fact that they are selling guns over and over again to gun traffickers and to straw purchasers.

How is that done? Well, the person who has a criminal record and cannot buy a gun, he goes to a pawnshop, finds a girlfriend, buys it. He is a criminal. He has a record of felonies, so the girlfriend buys it. So should the gun dealer be aware of that? Why, of course, it is obvious.

Should they be held accountable if they should have known that gun, through that girlfriend, is going straight into the hands of an felon, straight on to the street, killing innocent people? In America, a jury decides that. They will not be able to when this bill is passed. When this bill is passed, those who vote for it have decided they will be the jury forever.

One of the thieves, Mark Cronin, who worked for this gun manufacturer, had been hired despite his history of crack addiction, theft, alcohol abuse, violence, and assault and battery. They did not check it. The gun manufacturer hired people to make guns and did not do a criminal background check on their employees.

Cronin told an associate that he took guns out of the Kahr company “all the time” and that he could just walk out with a gun. They sold a gun that was used to kill Danny right off the assembly line. And he was pretty smart about it. He took it off the assembly line before it was stamped with a serial number. Smart guy. Can’t be traced.

The investigation also led to the arrest of another employee, Scott Anderson, who had a criminal history, who pled guilty to stealing guns from the company.

One of Kahr firearms disappeared in a 5-year period. The local police captain classified the recordkeeping at that facility as “shoddy,” that it was possible to remove weapons without detection because they did not keep their records well.

Danny Guzman’s family brought a wrongful death suit in Massachusetts State court against the owner of the gun manufacturing company, saying: You should have kept your records so you knew that guns were being stolen. And you certainly should have done a background check on your employees. Hiring somebody who has such a criminal record to work in a plant
that makes guns is clearly a question of negligence.

The trial judge denied the efforts of the company to dismiss the lawsuit, and it is still pending. Do you know what happens to that lawsuit by the family of the man against that arms manufacturer if we pass this bill? It is immediately removed. They have no rights in court to pursue that. Why? Why would we say to a person who owns a company that makes guns that you are held to a lesser standard than a person who owns a company that makes toys? That is what it boils down to. You are doing it because the gun lobby insists on it. They want this immunity.

The case that has brought many police officers—how and I will close with this—involves police officers. The last time we debated this bill, we said: Shouldn’t we at least create an exception that if the gun is used to kill a police officer in the line of duty and the person is not the person who is going to hold a gun dealer responsible if they should have known that? Wouldn’t we hold a gun manufacturer responsible if they were involved in supplying guns to Lou’s Pawnshop, which ranks one of the highest in the Nation in gun sales to convicted criminals? So we asked for an exception for law enforcement. It was defeated. All the people here who talk about law and order and how much they love policemen in uniform defending our communities and putting their lives at risk to save other people’s lives voted against them when they had a chance to put that exception in the law.

Let me give you a specific example. On January 12, 2001, police officers in Orange, NJ, were performing undercover surveillance at a gas station that had been robbed repeatedly. Someone acting suspiciously walked up to the gas station and then turned away. When Detective Davit Lemongello approached the few blocks away to question him, he responded by turning and opening fire. Detective Lemongello was hit in the chest and left arm, and the suspect fled. When additional officers, including Kenneth McGuire, found the man hiding beneath some bushes, the man started shooting again. Officer McGuire was hit in the abdomen and right leg. McGuire and two other officers returned fire and killed the man, even though they had been hit. The ATF brought lawsuit, and Lemongello and Officer McGuire survived, they have suffered serious, debilitating injuries.

The man who shot them was wanted for attempted murder and had been arrested several times. So how did he get possession of a gun? Gun trafficker Gray picked out the guns for the girlfriend to purchase in full view of Will’s Jewelry and Loan pawnshop personnel, a clear signal this was a “straw purchase.” One of those guns was the gun used to shoot these police officers.

The police officers and their families are suing the gun dealer, saying: You didn’t use good sense and any reasonable standard of conduct in selling to this guy’s girlfriend when you should have known something fishy was up. So they have a lawsuit against them and the manufacturer. Do you know what happens to this lawsuit from these policemen if this bill passes? It is over. Not another day in court. No chance for these wounded policemen or their families to recover.

Will’s settled, incidentally, with Officers McGuire and Lemongello for a million and agreed to change its practices in terms of underground trafficking. If the current bill passes before this settlement is reached and final, justice will not have been done. The shop would not have agreed to take the steps to make the streets safer.

That is what we are up against—people who want to stand behind and protect gun dealers who are selling guns that they should know are going on the streets to menace and threaten innocent people.

How in the world have we reached this point that we leave the Department of Defense bill to come to this? It is a sad day for the Senate. It is sad to think that one lobby has so much power over the Senate that they can move us away from the men and women in uniform, to whom we have a first responsibility, to protecting gun dealers like Will’s pawnshop in Virginia or Lou’s in Pennsylvania. What in the world are we doing here? We owe it to the men and women in uniform and their loved ones for us to defeat this bill. We owe it to the mothers and fathers who want their kids to come home safe every night and not be menaced by driveby shootings and “Saturday night specials” to defeat this bill. It is time to decide who you are working for in the Senate. Is it the gun lobby or the policemen and families of America?

The PRESIDING OFFICER. Mr. LEAHY. Mr. President, I wish to take a few moments to bring people up to date on where we are on the John Roberts nomination to the Supreme Court.

It is now a little over a week since President Bush made a dramatic evening announcement of his intention to nominate John Roberts to succeed Justice Sandra Day O’Connor on the U.S. Supreme Court. In the Senate, we haven’t received this nomination. It has not come up yet. Nonetheless, we are well on the way to preparation for the Senate’s process in considering the nomination.

During the past weeks, some of us have met with Judge Roberts. We have urged him to be forthcoming at his upcoming hearing. The Judiciary Committee has already sent him a questionnaire seeking background information. Most importantly, Chairman SPECTER and I have already begun laying the groundwork for full and fair hearings which we are both committed to holding. I expect that we will soon be able to announce the Judiciary Committee’s schedule for those hearings.

Late yesterday, the White House provided some documents from Mr. Roberts’ time when he served as special counsel to Attorney General William French Smith during the Reagan administration. None of us had requested these particular documents but, of course, we are always happy to receive anything they want to send. There are at least three categories of documents from Mr. Roberts’ years in the executive branch that are relevant to this nomination.

The second group relates to Mr. Roberts’ work from 1982 to 1986 as an associate counsel to Attorney General William French Smith during the Reagan administration. Some of us had requested these particular documents but, of course, we are always happy to receive anything they want to send. There are at least three categories of documents from Mr. Roberts’ years in the executive branch that are relevant to this nomination.

The second group relates to Mr. Roberts’ work from 1982 to 1986 as an associate counsel to Attorney General William French Smith during the time that the White House Counsel Fred Fielding. These are apparently kept in the Reagan Library in California.

Yesterday, in our continuing effort to expedite the process, we sent a letter to the White House asking that the files from those years be made available as quickly as possible, and to help speed it up, we identified by name the files we wished to be priorities. I hope the reported statements by White House officials that they have multiple of weeks indicating they expect it will take 3 or 4 weeks to make these materials available are in error and, instead,

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they can be made available on a prompt basis, not a delayed basis. Otherwise, it would almost appear—I certainly wouldn’t want to suggest the White House would do this—that they are trying to make sure the documents arrive. If the hearings start, there will be no time to review them. I trust there will be those at the White House who would understand this would be the wrong way to proceed and would actually in the long run end up adding more time to the process.

The third category of files is from Mr. Roberts’ work when he was a political appointee in the Justice Department’s Office of the Solicitor General. He served as Kenneth Starr’s principal deputy during the prior Bush administration. The reason I say these are important, the President said that his work at this time was one of the reasons why he nominated Judge Roberts as his nominee. Of course, the President has every right to consider whatever reasons for a Supreme Court nominee. Having said that, however, in carrying out its constitutional responsibilities, it is appropriate that the Senate be entitled to the same kind of information that the White House weighed in making its decision about this nomination. In other words, if this work is one of the reasons they say he is qualified to be on the Supreme Court, all the more reason the 100 Members of the Senate should be able to see it and make up our own minds.

Actually, it might be the most informative of the documents we are going to see. We could get a practical sense of how, when, and why politics and the law intersect for him. I am not seeking to seek production of all the files and the hundreds of matters on which Mr. Roberts worked in those files and the hundreds of matters on which he worked in those files, but I would be interested in the type of documents that were shared between the White House and the Senate. The history of past nominations is varied—each confirmation process is different. The President has spoken about the designee’s work in the Reagan White House and at the Bush Justice Department. But they have yet to share those materials with the Senate.

Other nominations have run into trouble when this White House has decided to let the Senate see only what the White House wants the Senate to see. If the White House’s midnight announcement of the Supreme Court nominee was reportedly embargoed to deny Democratic Senators an opportunity to comment, is this the person the American people deserve. A Supreme Court Justice must be confirmed as quickly and carefully as the American people deserve.

Mr. Roberts’ work when he was a political appointee in the Justice Department is, contrary to appearances, actually intended to begin a dialogue about documents, not preempt a discussion about documents the Senate may need and is entitled to, then this is regrettable.

Past administrations, Republican and Democratic, have been willing cooperatively to work with the Senate to accommodate its requests for documents. There are ample precedents in both parties documenting such cooperation. I believe the Senate is going to need the White House’s full cooperation to expedite this process as the President has requested.

Let us be serious. Now that the White House has gotten the stagecraft out of the way, let’s go back to working on the substance of the Senate’s work on this very important nomination. The President has, rightfully so, announced his choice. Now the Senate must rise to the challenge and do its work. To fulfill our constitutional duties, we need to consider this nomination thoroughly and carefully as the American people deserve. A Supreme Court Justice is not there to represent either the Republican or Democratic Party; they are there to represent all 280 million Americans. The Senate is the one voice of the American people, and that is the American people. We decide who sits on the Supreme Court and how it is going to function in the coming years.
Let us remember this is not to see who scores political points. This is to determine how we protect the rights of all Americans—the ultimate check and balance for all Americans. This is somebody who could well serve until the end of time. Mr. President, I see the distinguished senior Senator from Rhode Island. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. FEED. Mr. President, I commend the Senator from Vermont for his eloquent remarks. I will talk about the legislation before us, the gun liability legislation.

The legislation before us cannot be all things. It cannot be an effective barrier against litigation to protect the gun industry and, at the same time, be a way to protect legitimate rights of citizens who have been injured or killed by guns. It is not both; it is one or the other. It is carefully, cleverly worded legislation to immunize the entire gun industry from virtually any type of liability.

There are, perhaps, minor exceptions, but the most important, compelling cases in recent years—cases like the case of the DC snipers, the case of Police Officers Lamengello and McGuire in New Jersey, and the pending case of Kahr Arms in Worcester, MA—would be barred. I don’t think that is a mere incidental coincidence. They will be deliberately barred.

Thankfully, the first two cases were settled after the Senate rejected this legislation last year. The families of the victims of the Washington area snipers, the case of Police Officers Lamengello and McGuire similarly had the opportunity to press their cases, and a settlement was reached. Officers Lamengello and McGuire similarly had the opportunity to press their cases, and a settlement was reached, but the Kahr Arms case is still pending in court.

One of the sweeping aspects of this legislation is that it does not merely attempt to set the rules prospectively, as we go forward, to say these cases would not be heard by a court in the U.S.; it literally walks in and tells people who have filed cases—cases that have survived motions for summary judgment, cases which judges, looking at the facts and circumstances and the law, have said at least can go forward to trial and jury—it would take those cases away from the States and out of State courts and out of Federal courts if they have been filed.

Let’s take a look at the Kahr Arms case. It is the case of Guzman v. Kahr Arms. It was filed under the wife’s name—Hernandez, I believe. It involves Danny Guzman and Kahr Arms. A lawsuit was filed by the family of 26-year-old Danny Guzman of Worcester, MA, who was fatally wounded with a 9 mm handgun that was stolen from the Kahr plant by a drug-addicted employee who had worked there as a forklift operator. Kahr Arms, operated the factory without basic security measures to protect against theft, such as metal detectors, security mirrors, or security guards. Guns were routinely taken from the factory by felons the company had hired without conducting background checks.

The gun used to kill Danny Guzman was one of several removed by Kahr Arms employees before serial numbers had even been stamped on them, rendering them virtually untraceable. Some point has been made about the fact that it is illegal to erase serial numbers. These people were able to get the weapons, numbers were not imprinted upon the weapons, so that law would not apply at all. The guns were then resold to criminals in exchange for money and drugs. The loaded gun that killed Mr. Guzman was found by a 4-year-old behind an apartment building near the scene of the shooting.

Thank goodness that 4-year-old didn’t decide to test the weapon himself or herself.

Had Kahr Arms performed background checks on prospective employees, or secured its facility to prevent theft, Danny Guzman might be alive today. A Massachusetts court held that the suit states a valid legal claim for negligence, but this bill would throw the case out of court, denying Danny’s family their day in court.

Again, this is the Congress reaching into a State court and telling that judge, we don’t care what your law says, we don’t care about 200 years of legal precedent. Massachusetts or any other State in the country amounts. This suit should be stricken, taken out, thrown out.

This legislation is sweeping and it is unprecedented. It deals a serious blow to citizens throughout this country, while enhancing dramatically the legal protections for the gun industry. Now, the bill’s proponents repeatedly say you cannot hold someone responsible for the criminal actions of another—as the Senator from Vermont just said. Yet, we have colleagues in the intervening criminal actions of another.

First of all, that is not what this case is about. And, frankly, that is not the law. I am surprised that my colleagues are too enamored of the law. A memorandum by a professor at the University of Michigan Law School points out that in the restatement of torts—this is as in all law—this is the basic summary of the status of the law in the U.S. with respect to torts. Section 449:

If the likelihood that a third person may act in a particular manner is a hazard or one of the hazards which makes the actor negligent, such an act, whether innocent, negligent, intentionally tortious, or criminal, does not prevent the actor from being liable for harm caused thereby.

This is black letter law. There is no special exemption for the criminal act of another if you fail in your duty to control the criminal with respect to Kahr Arms is to secure dangerous weapons and to have employees who are responsible. That is what they are being sued about. They have a duty under the law for the whole community to act in a way that will not unnecessarily cause harm to others. What should be decided in a court is whether they lived up to that duty. If this legislation passes, they will be denied the opportunity to determine whether their duty to the community was upheld.

This is about responsibility for their actions—in this case, the actions of Kahr Arms. Companies that manufacture guns have a duty. It is the requirement and the obligation to take precautions, to use the standard of care a businessperson would use in the conduct of that business—the standard of care any businessperson would use. Certainly, this standard of care should apply to those who manufacture weapons, who sell weapons, and the trade associations associated with them.

The allegation in all these cases is that they failed to do that— that they were unwitting, incidental victims of a criminal mind, but that they failed in their duty. Bull’s Eye Shooter Supply in Washington State, for example, who supplied the Washington snipers with weapons for their mistaken idea that they could kill people. I would think most Americans on the streets, if you asked them, Would you say gun dealers and manufacturers should be a little more cautious than people who make other items, I think the answer would be, invariably: Yes, of course. These are inherently dangerous products.

So this is not about punishing people for the criminal activities of others. It is about holding individuals and corporations up to the product we expect from everybody. There are various examples. Some say, my goodness, if a store sells someone a knife that is then used in a crime, they should not be responsible. Others have talked about car dealers. But if you have the car dealer who leaves the keys in a car, and they have no security, and a teenager gets into that car and harms someone, certainly I think the parents of that individual harmed or that individual themselves could go to the court and claim the dealer did not meet the rational standard of care of those in the automobile industry. They have to secure the car and provide security.
They cannot make them so easily available that a young person would take the car and get into an accident. That applies to automobile dealers.

But if this legislation passes, common sense doesn’t apply to the gun industry. In fact, this is a license for irresponsibility we are considering today. Whatever precautions they are taking today, because they might anticipate this type of danger and anticipate, perhaps, litigation, there is no incentive for them to take those rudimentary precautions. There will be a race to the bottom, to the worst standards of the industry, to the worst operations of the worst operators.

With this bill, we are saying, in addition to your Federal firearms license, you get another license; you can be irresponsible. That is not to suggest all dealers and manufacturers are irresponsible. But some are. Those very few lawsuits—very few lawsuits—have stood up enough to go to court, to allege they have been harmed by a negligent over 200 years to go to court, to allege they have been harmed, in part, because of the negligence of someone, and that someone must do that or, indeed, the vast majority.

Mr. FRIST. Reserving the right to object. Mr. President, reflecting on yesterday, if we had invoked cloture yesterday, we would have been able to complete the Department of Defense authorization bill. We were unable to invoke cloture. I made it clear at that time that at some point we would return to the Department of Defense authorization bill, a very important bill.

At the same time, we have about five pieces of legislation we have to address over the next 72 hours. We need to move on, as we will.

Also, the chairman and ranking member will have the opportunity over the next few days and weeks to take these more than 200 amendments, look at those amendments and see how many are absolutely necessary, based on their judgment, and then we can come back and address the issue of defense.

Finally, I ask that the Democratic leader consider my request from yesterday so that at any time determined by the majority leader, in consultation with the Democratic leader, then the Senate resume consideration of the Defense authorization bill.

Mr. REID. Mr. President, if the Senate will withhold for one second.

There is now before the Senate a request to stay on the Defense bill and finish the gun bill when the Defense bill is finished. It is my understanding the distinguished majority leader has asked to modify that request so that he is able to call up the Defense bill at any time he wishes; is that the way I understand the request as modified?

Mr. FRIST. Mr. President, I will phrase it that at any time determined by the majority leader, after consultation with the Democratic leader, the Senate will resume consideration of the Defense authorization bill.

Mr. REID. Mr. President, I understand that. I am disappointed we are not going to the Defense bill. My State Department.

We are not facing a situation where we would be without gun manufacturers because of these lawsuits. It is outlandish to suggest our national security is being jeopardized because we cannot find people in the United States who produce firearms, and that American companies are being subjected to this torrent of lawsuits. And the suggestion that we have to turn to firearms suppliers for our military is rather odd. Indeed, today, many, if not most, of the suppliers for national defense are the subsidiaries of foreign companies. The suggestion, of course, that these suits are driving American manufacturers is ludicrous.

It is not about preserving our defense. It has nothing to do with our defense. The Pentagon is making decisions today because they believe they are better weapons. This is about protecting one industry from the legal responsibility to exercise caution, a responsibility every individual must exercise. All industries must do that or, indeed, the vast majority.

This is not about protecting the integrity of the courts. What does it say to the integrity of the courts of West Virginia when a judge found that a suit brought by police officers should proceed, when we say: No, you are wrong, throw that case out. What will it say to Massachusetts courts if we pass this legislation when that case against Kahr Arms is thrown out the door? It will say we are meddling in the affairs of the courts in an unprecedented fashion. Thankfully, Officers Lemongello and McGuire were able to settle their legitimate case, but there are cases pending, and those cases will be dismissed.

I urge my colleagues to reject this gun industry immunity bill.

I want to make one other point before I yield the floor. Much has been made of a letter from the Beretta Company about the danger of an avalanche of lawsuits. If you look closely, what has happened is the District of Columbia, their duly constituted legislative body, passed a strict liability bill. The courts have upheld that. They say it is appropriate. That is the American system. That is what we are trying to do today. That is a strict liability bill, and that may raise concerns with the gun industry. This bill goes way beyond strict liability. It says simple negligence is out the door, and to conflate those two arguments does a great disservice to the accuracy of the truth of this debate.

Mr. President, I believe my time has expired. Thank you.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that we stay on the Defense bill and that upon completion of that bill, we go to the gun liability legislation.

Mr. Frist. Reserving the right to object. Mr. President, reflecting on yesterday, if we had invoked cloture yesterday, we would have been able to complete the Department of Defense authorization bill. We were unable to invoke cloture. I made it clear at that time that at some point we would return to the Department of Defense authorization bill, a very important bill.

Finally, I ask that the Democratic leader consider my request from yesterday so that at any time determined by the majority leader, in consultation with the Democratic leader, then the Senate resume consideration of the Defense authorization bill.

Mr. REID. Mr. President, if the Senator will withhold for one second.
Mr. KENNEDY. Reserving the right to object, can the leader give us some indication as to when we will go on the Defense authorization bill, as one who has an amendment and is glad to participate?

Mr. FRIST. Mr. President, I am happy to say, that is why I specifically stated in my unanimous consent request—in consultation with the Democratic leader—until we get through the highway bill, the Energy bill, Interior appropriations, Legislative Branch appropriations, and gun liability. It is going to be hard for me to predict exactly when—plus we have a 5-week recess between now and then.

The whole point of my unanimous consent request is I stay in touch through consultation with the Democratic leader to find the appropriate time.

Mr. KENNEDY. Mr. President, I will not object. My feeling is, I regretted the fact we got off the Defense bill—particularly because of its importance to our national security—to go on to this gun liability bill. I am not going to object to the leader coming back. As one who has an amendment—I know many of our colleagues were eager to focus on those amendments. We will expect to hear from our leader as to when the leader will do that.

Further reserving the right to object, is it the intention of the leader to permit amendments to the gun liability bill so we will now, that we are on that legislation, at least be able to talk about and offer amendments on the gun liability legislation?

Mr. FRIST. Mr. President, it is our intention to offer amendments—but we will be in discussions with the leadership and the ranking member and chairman discussing amendments and allowing them to be offered accordingly in the judgment of the chairman and ranking member and the leadership.

Mr. KENNEDY. Mr. President, I am not going to object to the other, but that sounds to me as if—having been around and familiar with the rules of the Senate—they can effectively let what amendments come up that are agreeable to the floor managers and deny other Members the opportunity to offer amendments. I think the Senate rules provide, when we are dealing with cloture, to be able to offer amendments that are relevant to the underlying bill. I don’t understand why we are not going to be permitted the different options. I am not going to object to the leader being able to go to Defense authorization when he wants to, but it does seem to me we are facing a stacked deck here and denying Members under the Senate rules the opportunity which the rules provide for. It is a little unfair to say we are going to run consideration of the gun liability according to the Senate rules. That is on the be-thought or not. I think it would have hoped. I guess there is a different plan ahead for the Senate, but we all want to be fully aware of what that means. That means some Members will be able to get their amendments in and others will not.

Mr. REID. If I can say one thing, I think it was an oversight on the part of the majority leader, but one of the issues we have to deal with before we leave is Native Hawaiians also.

Mr. FRIST. Mr. President, that is correct, and I am thinking the exact same thing when I was talking, and Department of Defense as well. We have a whole range of issues. The Democratic leader knows I am in constant discussion with him as to how we are going to get the business done, and the fact we did not get cloture yesterday on the Department of Defense bill, we are moving ahead in an orderly fashion, hopefully in a civil way, working with the other side, through the managers on the Republican side, with the leadership in order to complete the business this week.

Mr. President, I guess we have a modified unanimous consent request that at any time determined by the majority leader, after consultation with the Democratic leader, the Senate resume consideration of the Defense authorization bill; is that correct?

The PRESIDING OFFICER. That is correct. Is there objection to the request as modified? Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will proceed to a vote on the motion to proceed to the consideration of S. 397.

The question is on agreeing to the motion.

The motion was agreed to.

ORDERS FOR THURSDAY, JUNE 28, 2005

Mr. MCCONNELL. Mr. President and colleagues in the Senate, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. tomorrow, Thursday, July 28. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate begin a period of morning business for 1 hour, with the first 30 minutes under the control of the Democratic leader or his designee and the second 30 minutes under the control of the majority leader or his designee. I further ask that following morning business, the Senate resume consideration of S. 397, the gun liability bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MCCONNELL. Tomorrow, the Senate will continue its consideration of the gun liability bill. Under an agreement reached this evening, we will debate and vote on the Kohl amendment on trigger locks. That vote will occur before lunch tomorrow. As a remainder, first-degree amendments must be filed by 1 p.m. tomorrow afternoon. We will have a cloture vote on the pending legislation, and we will announce the exact timing of that vote tomorrow.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MCCONNELL. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:40 p.m., adjourned until Thursday, July 28, at 9:30 a.m.

NOTICE
Incomplete record of Senate proceedings. Except for concluding business which follows, today’s Senate proceedings will be continued in Book II.

NOMINATIONS

Executive nominations received by the Senate July 27, 2005:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
KEITH E. GOTTFRIED, OF CALIFORNIA, TO BE GENERAL DEPARTMENT OF EDUCATION
MARK S. SCHNIDERS, OF THE DISTRICT OF COLUMBIA, TO BE COMMISSIONER FOR EDUCATION STATISTICS FOR A TERM EXPIRING JUNE 21, 2009, VICE ROBERT LEHNER.
EXECUTIVE OFFICE OF THE PRESIDENT
BERTHA K. MADRAS, OF MASSACHUSETTS, TO BE DEPUTY DIRECTOR FOR DEMAND REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY, VICE ANDREA G. RABEEH.
NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE
DIANE RIVERS, OF ARKANSAS, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2009, VICE JACK E. HIGHBETTER, TERM EXPIRED.
IN THE ARMY
THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF Captain, TO COMMISSION IN THE RANK OF
SANDRA FRANCES AKBREATH, OF IDAHO, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2009, VICE CHAIN ANDREWS.
IAN CELCULLO, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2009, VICE CHAIN ANDREWS.
DEPARTMENT OF STATE
ALFRED HOFFMAN, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TURKEY.

To be brigadier general
COL. ERIK R. SCHWARTZ, 2000
EXTENSIONS OF REMARKS

A PROCLAMATION RECOGNIZING CAPTAIN CHRISTOPHER COULSON, M.D.

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker: whereas, Captain Christopher Coulson has devoted himself to serving his country through his deployment to Iraq with the Ohio Army National Guard; and 
Whereas, Captain Coulson has dedicated 18 years in the Ohio Army National Guard; and 
Whereas, Captain Coulson has demonstrated a commitment to meet challenges with enthusiasm, confidence and outstanding service; and 
Whereas, Captain Coulson must be commended for the hard work and dedication he continues to put forth in protecting our Nation’s freedoms and liberties. Therefore, I join with the entire 18th Congressional District of Ohio, Chris’s family and friends in congratulating Captain Christopher Coulson as he continues to proudly serve our country overseas in Iraq.

RECOGNIZING FLINT HILL ELEMENTARY SCHOOL’S 50TH ANNIVERSARY

HON. TOM DAVIS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. DAVIS of Virginia. Mr. Speaker, I would like to take this opportunity to pay tribute to Flint Hill Elementary School as it prepares to celebrate its 50th anniversary. Since its establishment in 1955, Flint Hill Elementary School has committed itself to lofty standards of academic and extracurricular excellence. Over the years, as the Vienna area has expanded and diversified, Flint Hill has followed the community’s example. To this day, Flint Hill Elementary School remains a distinguished and greatly lauded school in many respects, from the arts to academics. The school boasts a number of unique programs, from a Cultural Arts Program to the Flint Hill Elementary School Morning News Team to an annual science fair. The garden serves as a living learning environment, which includes a butterfly garden and a greenhouse. The courtyard is a result of collaborative effort and hours of hard work by students, parents, and teachers. Technology continues to be paramount at Flint Hill, and every class is equipped with a computer presentation system and access to the Internet.

The mission of Flint Hill Elementary School is to promote student learning and high academic standards, while providing a respectful learning environment that develops individual academic achievement and supports social and emotional growth.

—This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.
space flight. In addition, I am happy to know that the House has continued its investment in the Hubble Space Telescope which has provided inspiration worldwide to young and old, scientists and non-scientists alike. Hubble is one of the most important astronomical instruments in the history of NASA, and has made extraordinary contributions to scientific research and the inspiration of our youth. Finally, I am grateful that this Authorization includes language that will help ensure equal access to NASA education programs for minority and under-privileged students. The bill also properly funds the Space Grant Program which helps to promote strong science, mathematical and technology education from elementary school through graduate school.

The innovation, discovery and invention that NASA has brought to not only the United States, but also to the world is not complete. We must continue to explore the bounds of space, demand scientific breakthroughs, and engratipute the minds of children. Congress’ stewardship of NASA allows our Nation to reach for the stars.

A PROCLAMATION HONORING PAUL JOHNSON AND CHARLOTTE JOHNSON ON THEIR 80TH BIRTHDAYS

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, Whereas, Paul Johnson was born on September 4, 1925; and
Whereas, Charlotte Johnson was born on July 29, 1925; and
Whereas, both Paul and Charlotte Johnson are celebrating their 80th Birthdays, on this day, June 25, 2005; and
Whereas, Paul and Charlotte Johnson have exemplified a love for each other, and must be commended on their upcoming 55th Anniversary on December 16, 2005.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in congratulating Paul and Charlotte Johnson as they celebrate their 80th Birthdays.

EXPRESSING SENSE OF CONGRESS WITH RESPECT TO COMMEMORATION OF WOMEN SUFFRAGISTS

SPEECH OF HON. ALCEE L. HASTINGS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 2005

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in support of H.J. Res. 59, a resolution commemorating the women suffragists who fought, and won the right for women to vote in the United States. This legislation applauds women’s rights activists whose commitment to changing an unjust system led to the eventual passage of the 19th Amendment in 1920. As we all know, the 19th Amendment granted women in the United States the right to vote.

The women’s suffrage movement began in the mid-nineteenth century when Lucretia Mott and Elizabeth Cady Stanton held the first women’s rights convention in Seneca Falls, New York, on July 19, 1848. Established in 1869, the National American Woman Suffrage Association fought tirelessly against discrimination and oppression, often times receiving severe punishment in response to their protests.

After only several decades, due to the progress of women’s rights activists, women in the U.S. experienced advancement in property rights, employment and educational opportunities, divorce and child custody laws, and increased social freedoms. As new generations of women continued to bolster the strength of the movement, they initiated a social revolution that would touch every aspect of life.

The time has come for Congress to recognize these brave individuals who struggled for equality in the face of adversity, and ultimately amended our constitution to allow for equality among both genders. The suffragists’ accomplishments are a credit to American democracy. Their unfettered commitment to equality for women should serve as an example to nations in which this struggle is still being fought today.

Mr. Speaker, let me conclude by again expressing my support for this legislation and encouraging my colleagues’ support. It should be a precedence of this Congress to acknowledge the significance of the women’s rights movement and honor its leaders with a day of commemoration.

CONGRATULATING LIEUTENANT GENERAL RICHARD A. HACK

HON. TOM DAVIS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to congratulate an exceptional officer in the United States Army, Lieutenant General Richard A. Hack, upon his retirement after 33 years of distinguished service.

Throughout his career, Lieutenant General Hack has personified the values of duty, integrity, and selfless service across many missions the Army has provided in defense of our Nation. As the Chief of Staff and Deputy Commanding General of the United States Army Materiel Command, Lieutenant General Hack has made lasting contributions to the Army Materiel Command; an organization that employs more than 50,000 in 149 locations worldwide to include 43 states and 38 countries. It is my sincere privilege to recognize his many accomplishments. I commend his superlative service to the United States Army and this great Nation.

Lieutenant General Hack is a second-generation Army officer, the son of Colonel (Ret) and Mrs. Sidney Hack of Columbia, SC. He graduated from the Virginia Military Institute and was commissioned as a second lieutenant in the Ordnance Corps. Upon completion of the Ordnance Officer Basic Course, he was assigned to Fort Knox, KY, where he served as Platoon Leader and later Shop Officer for the 530th and 514th Maintenance Companies. He was then assigned to Schweinfurt, Germany, as Shop Officer of the 596th and 903rd Maintenance Company and served as Commander, 42nd Maintenance Company in Furt, Germany.

Following the Ordinance Officer Advanced Course, Lieutenant General Hack participated in the Training with Industry program at Sikorsky Aircraft Company in Stratford, CT, and was subsequently assigned to Rock Island Arsenal, IL, as a Materiel Management Staff Officer and later as Aide-de-Camp to the Commanding General, U.S. Army Armament Materiel Command.

After graduation from Command and General Staff College, Lieutenant General Hack was assigned to the 24th Infantry Division (Mechanized), Fort Stewart, GA, where he served as Materiel Officer and Support Operations Officer for the 724th Main Support Battalion, Executive Officer of the 24th Forward Support Battalion, and Chief, Division Materiel Management Center.

Following his Fort Stewart assignments, Lieutenant General Hack served as the U.S. Army Europe Deputy of Staff Logistics staff in Heidelberg, Germany, and then commanded the 705th Main Support Battalion, 5th Infantry Division (Mechanized) at Fort Polk, LA. After command, he was a staff officer at the Ordnance Center and School at Aberdeen Proving Ground, MD. After graduation from the U.S. Army War College, Lieutenant General Hack returned to 24th Infantry Division where he commanded the 24th Infantry Division Support Command. He then served as the Executive Officer to the Deputy Commanding General, U.S. Army Materiel Command. His subsequent assignments include: Assistant Division Commander for Support of the 4th Infantry Division (Mechanized), Fort Hood, TX; Commanding General, 13th Corps Support Command, Fort Hood, TX; and Commanding General of the 21st Theater Support Command, United States Army Europe, Germany.

Throughout his military career, Lieutenant General Hack has been a sterling example of leadership and professionalism. Special thanks must also be given to Lieutenant General Hack’s wife, Rosanne, and their son, 1st Lieutenant Richard J. Hack. First Lieutenant Hack carries on the family tradition as the 3rd generation to serve in our Armed Forces, and is currently serving in Iraq. Mr. Speaker, in closing, I would like to express my gratitude to Lieutenant General Hack for his service to our country. I call upon my colleagues to join me in applauding his past accomplishments and wishing him the best of luck in all future endeavors.

PERSONAL EXPLANATION

HON. NICK J. RAHALL II
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RAHALL of West Virginia. Mr. Speaker, I was unavoidably detained on official business on Monday, July 25, 2005. Had I been present, I would have voted in the following manner: Rollcall vote No. 417, “yea”; rollcall vote No. 418, “yea”; rollcall vote No. 419, “yea.”
A PROCLAMATION THANKING MICHAEL SIMPSON FOR HIS SERVICE TO OUR COUNTRY

HON. ROBERT W. NEY OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Michael Simpson has served the United States in Operation Iraqi Freedom as a member of the United States Army; and
Whereas, Michael Simpson is to be commended for the honor and bravery that he displayed while serving our Nation in this time of war; and
Whereas, Michael Simpson has demonstrated a commitment to meet challenges with enthusiasm, confidence, and outstanding service;

Therefore, I join with the family, friends, and the entire 18th Congressional District of Ohio in thanking Michael Simpson of the United States Army for his service to our country. Your service has made us proud.

15TH ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT

HON. TAMMY BALDWIN OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. BALDWIN. Mr. Speaker, I rise today to celebrate the 15th anniversary of the Americans with Disabilities Act, or the ADA. This landmark piece of legislation was the world’s first comprehensive declaration of equality for people with disabilities, making it the most significant piece of civil rights legislation since the Civil Rights Act of 1964. There is no doubt that the ADA has improved the lives of the 54 million Americans with disabilities, including 450,000 disabled adults in Wisconsin, and the evidence of this progress can be seen all around us. Thanks to the ADA, we have curb cuts, wheelchair lifts, Braille signs, accessible transit systems, and perhaps most important, the ADA has begun to change peoples’ attitudes towards people with disabilities.

But as part of the recognition of the progress that has been made, it is important for us to remember why the ADA was needed in the first place. Prior to the ADA’s passage, the isolation of and discrimination against people with disabilities was staggering. Many disabled Americans were not working, even though they wanted to have a job. Many did not finish high school, and many lived in poverty. The ADA established a comprehensive prohibition of discrimination on the basis of disability in the areas of employment, public accommodations, public services, transportation, and telecommunications.

So while I celebrate the ADA for the progress it has brought about, the fact remains that the promise of the ADA remains unfulfilled for far too many people. According to a 2004 survey done by the National Organization on Disability, only 35 percent of people with disabilities are employed full or part time; people with disabilities are three times more likely to live in poverty with household incomes below $15,000 than their non-disabled counterparts; and people with disabilities remain twice as likely to drop out of high school. And I fear that ongoing efforts to cut the Medicaid program and dismantle Social Security will threaten the wellbeing of many more people with disabilities.

I remain committed to the goals and promise of the ADA—equality and opportunity for all Americans, and I am delighted to reaffirm this commitment as we celebrate the ADA’s 15th anniversary.

ON THE RETIREMENT OF DOCTOR PORFIRIO LOZANO

HON. SILVESTRE REYES OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. REYES. Mr. Speaker, I rise today to recognize Dr. Porfirio Lozano, a dedicated member of the Department of Veterans Affairs, VA, community in El Paso, Texas.

Dr. Lozano has devoted many years of service to El Paso in many capacities. A distinguished pioneer of El Paso’s medical community, Dr. Lozano was responsible for laying the groundwork of today’s osteopathic medicine practitioners in West Texas, paving the way for the integration of Medical Doctors and Doctors of Osteopathic Medicine in El Paso’s hospitals. His work performing compensation and pension examinations for El Paso’s VA ensured that the dispensation of entitlements for our veterans occurred quickly and fairly.

Dr. Lozano’s more than 20 years of service is especially important to me because my Congressional District in El Paso is home to nearly 60,000 veterans. These brave men and women have made tremendous sacrifices for our country, and Dr. Lozano has been steadfast in providing the best possible health care for our Nation’s veterans.

Mr. Speaker, on behalf of the constituents of the 16th Congressional District and the veterans across America, I would like to thank Dr. Lozano for his selfless service to and advocacy for veterans in El Paso and the Nation.

THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. CHRIS VAN HOLLEN OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. VAN HOLLEN. Mr. Speaker, it is with great pleasure that I rise, as we celebrate the fifteenth anniversary of the passage of the Americans with Disabilities Act.

Most Americans take for granted the ability to enter a restaurant, speak on the telephone, or apply for a job without fear of discrimination. But until the passage of the ADA, tens of millions of Americans with disabilities were denied these basic rights. Over the past decade and a half, the ADA has enabled people with disabilities to realize more fully their place in American society.

But the promise of the ADA remains unfulfilled. Only about one-third of people with disabilities are employed, and those with disabilities are three times more likely to live in poverty.
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Chillicothe’s Kenworth Plant has provided a new milestone in truck of which immense pride is accredited; and

Whereas, Chillicothe’s Kenworth Plant has celebrated the completion of truck No. 250,000; and

Whereas, Chillicothe’s Kenworth Plant employs approximately 1,700 people with great distinction.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in recognizing Chillicothe’s Kenworth Plant for its impressive accomplishment.

PERSONAL EXPLANATION

HON. ELTON GALLEGLY
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. GALLEGLY. Mr. Speaker, on Monday, July 25, 2005, I was unable to vote to suspend the rules and pass H.J. Res. 59, sense of Congress with respect to the establishment of an appropriate day for the commemoration of the women’s suffragists (rollcall 417); H. Con. Res. 181, supporting the goals and ideals of National Life Insurance Awareness Month (rollcall 418); and H. Res. 376, expressing the sense of the House that the Federal Trade Commission should investigate the publication of the video game “Grand Theft Auto: San Andreas” to determine if the publisher intentionally deceived the Entertainment Software Rating Board in order to avoid an “Adults-Only” rating (rollcall 419). Had I been present, I would have voted “yea” on all three measures.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2006 AND 2007

SPEECH OF

HON. DARRELL E. ISSA
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 2005

The House in Committee of the Whole on the State of the Union had considered the bill (H.R. 5633) to authorize appropriations for the Department of State for fiscal years 2006 and 2007, and for other purposes:

Mr. ISSA. Mr. Chairman, I had submitted an amendment made in order by the rule to strike proposed changes to U.S. economic and military aid to Egypt because of concerns I have that these changes may harm the U.S.-Egypt security relationship. I decided not to offer this amendment.

Egypt is a friend and ally of the United States and their contributions in Iraq, Afghanistan, and the global war on terrorism have made important contributions to our security and that of our military personnel serving abroad. Egypt is also a source of stability and leadership in the Middle East—they played an important role in convincing Syria to withdraw its military from Lebanon and have made important efforts to support peace and security for Israelis and the Palestinians.

Consider Egypt’s role in Iraq alone. From the beginning of U.S. operations there, Egypt has provided transit and landing and overflight rights. Egypt permitted emergency transit of the Suez Canal when the 4th Infantry Division was not permitted to stage from Turkey, saving weeks of transit time around the Horn of Africa. Moreover, since the U.S.S. Cole was attacked in 2000 at the entrance to the Red Sea, Egypt has provided the increased security necessary to prevent any attacks on U.S. forces transiting through the Suez Canal or other Egyptian facilities. Egypt sent an ambassador to the new government in Iraq to help support the new and democratic government that has been chosen by the Iraqi people. Sadly, the Egyptian ambassador to Iraq, Ihab al-Sharif, was kidnapped and murdered by the same insurgents who have claimed 1,775 lives of our troops.

Egyptians, like the people of the United Kingdom, have also been the victims of terrorism committed by Islamic extremists. The recent terrorist bombing in Sharm el-Sheikh against the people and Government of Egypt was a clear strike against a partner in the global war on terrorism. The need for continued security and military cooperation between the U.S. and Egypt could not be clearer.

Because of the contributions Egypt has made as a valued friend and ally, many of my colleagues, the administration, our military leaders at CENTCOM, have expressed deep concerns that the changes to military assistance proposed in section 921 of the Foreign Relations Authorization Act could significantly harm the U.S.-Egypt security relationship that has been so critical for our efforts to promote peace and stability in the region.

Mr. Chairman, my district is home to Marine Corps Base Camp Pendleton. The safety of Marines from Camp Pendleton serving in Iraq is significantly increased due to support provided by Egypt. Without the active support of Egypt for U.S. operations in Iraq, transit times for U.S. ships to the theater of operations would be considerably longer and more dangerous. Supplying troops in Iraq would also take longer and cost more. And finally, without Egyptian leadership in the Arab world, the political reconstruction of Iraq would be even more complicated and far-off.

The House in Committee of the Whole on the State of the Union had also considered the bill (H.R. 5634) to make additional security and military assistance available to Jordan and Morocco. It is the case that Jordan and Morocco play a critical role in stabilizing the region. Jordan has been a key partner with the United States in the war on terrorism, and we must be certain that the actions we take enhance our ability to fight the war on terrorism whether in Iraq, Afghanistan, or anywhere else in the region.

Mr. Chairman, despite my concerns I recognize that Chairman HYDE and I share common goals of strengthening America’s security relationship with Egypt and helping the people of Egypt build strong democratic institutions and a vibrant free market economy. I would also add that I support his efforts and those of the ranking member, Mr. LANTOS, to seek new ways to strengthen U.S.-Egypt relations.

I would, furthermore, like to thank Chairman HYDE and Ranking Member LANTOS for agreeing to continue to work with me and the administration in order to protect our national interests and to help Egypt achieve the economic and political reform it needs.

RECOGNIZING DAN SCHAB, MICHIGAN TEACHER OF THE YEAR

HON. MICHELE ROGERS
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. ROGERS of Michigan. Mr. Speaker, today I rise to pay tribute to Dan Schab on his selection as Michigan’s 2005–2006 Teacher of the Year.

Over his 24 year career, Dan Schab has helped to inspire and enlighten students across mid-Michigan. He has worked tirelessly to help his students explore the concept of mathematics and learn both the importance of education and the power of knowledge. In addition to his work in the Williamston School District and at Lansing Catholic Central High School, Mr. Schab has also served on the national level. He assisted in developing meaningful national education strategies through his work as an Einstein Fellow with the U.S. Senate Education Committee in 2003.

Dan Schab has been consistently recognized as one of the best educators in America. Over his career, he has been recognized time and time again for his dedicated service to his school, his students, and his community. In
2000, he participated in the prestigious Toyota International Teacher Program. In 1987, he received the Excellence in Education Award from the Lansing Regional Chamber of Commerce, and in 1987 he was chosen as Lansing Catholic Central High School’s First Teacher of the Year, Professional Excellence Award Winner. But despite these many recognitions, Dan still believes that the work he does with his students is his greatest success. His dedication to teaching can be seen on a daily basis when he stays well after school hours to offer additional assistance or develop new ways to show his students the significance of math in daily life.

Mr. Speaker, education is the cornerstone of our economy and great teachers lay the foundation for greater prosperity. I wish to extend my gratitude to Dan Schab for his many years of service to his students. I ask my colleagues to join me in recognizing Mr. Schab for his years of dedication to teaching and his recent selection as Michigan’s Teacher of the Year.

PERSONAL EXPLANATION
HON. DAVE WELDON
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. WELDON of Florida. Mr. Speaker, due to the launch of the Space Shuttle Discovery early Tuesday morning, I was unable to be present for votes on Monday evening. Had I been present, please let the official Record reflect that I would have voted in favor of the following three bills: H.J. Res. 59—Sense of Congress with respect to the establishment of an appropriate day for the commemoration of the women suffragists; H. Con. Res. 181—Supporting the goals and ideals of National Life Insurance Awareness Month; and H. Res. 376—Expressing the sense of the House of Representatives that the Federal Trade Commission should investigate the publication of the video game “Grand Theft Auto: San Andreas.”

A PROCLAMATION RECOGNIZING
JAY BAIRD
HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Jay Baird has provided outstanding service and contributions to Licking County serving two terms as County Commissioner, and Whereas, Jay Baird has served the people of Licking County with dedication, diligence, and goodwill; and Whereas, Jay Baird is an asset treating everyone with respect and a sense of priority, carrying out his duty to the people; and Whereas, Jay Baird is greatly appreciated by all who have worked with him. He is to be commended for the help that he provided to the citizens of Pataskala and the residents of Licking County.

Therefore, I join with members of Congress and their staff in recognizing Jay Baird for his exceptional work and immense contributions, and wish him the very best in future endeavors.

CELEBRATING THE BIRTH OF MISS CAMPBELL GRACE HALME
HON. JOE WILSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. WILSON of South Carolina. Mr. Speaker, today, I am happy to congratulate Tracy and Matthew Halme of Tampa, Florida, on the birth of their beautiful baby girl. Campbell Grace Halme was born on July 20, 2005, weighing 7 pounds, 7.5 ounces and measuring 21 inches long. Campbell has been born into a loving home, where she will be raised by parents who are devoted to her well-being and bright future. Her birth is a blessing.

COMMEMORATING THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT
HON. MAJOR R. OWENS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. OWENS. Mr. Speaker, the Americans with Disabilities Act of 1990 (ADA) profoundly improved the lives of approximately 54 million people with disabilities. Before the ADA, employers routinely terminated individuals and jobs to individuals based not on skill, but on discriminatory stereotypes about disabilities. The lack of accommodations in the workplace shut people with disabilities out of the job force, resulting in astounding poverty rates. People with disabilities did not even have the legal tools to fight back because no law recognized their grievances.

On July 26, 1990, George H.W. Bush signed the ADA, transforming America into a more accessible country. The ADA gave people with disabilities the right to be accommodated in the workplace, a fair grievance process for discrimination suits, equal access to public services, transportation and telecommunications. People with disabilities are no longer unnecessarily shut away; they have the ability to counteract discriminatory practices and have a fair chance to become productive members of society.

I enthusiastically support the Hoyer Resolution commemorating the 15th Anniversary of the ADA, the largest civil rights achievement of our time. On that day, I join with colleagues in the House to commend Judge Robert H. Bork, Sen. Ted Kennedy, and Sen. John Tunney. I also thank my colleagues for this historic legislation.

Tribute to Mrs. Amanda Peach Smith
HON. ROBERT A. BRADY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor one of my most distinguished constituents, Amanda Peach Smith. Mrs. Smith, who everyone knows as Aunt Sam turned 100 years old today.

Aunt Sam has a close and loving relationship with her community and with her God. She has been a member of the historic Union Baptist Church since 1927, shortly after her arrival in Philadelphia. A long time usher there, she was a part of the congregation that nurtured and supported Marion Anderson, Philadelphia’s most famous opera singer. Mr. Speaker, Mrs. Smith is known for her love of gardening and flowers. In so many ways, she has brought beauty and joy to all of us.

I know that all my colleagues will join me in wishing her a happy 100th birthday.

SUPPORT FOR JUDGE JOHN ROBERTS
HON. BILL SHUSTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. SHUSTER. Mr. Speaker, I would like to voice my strong support for the President’s Supreme Court nominee Judge John Roberts. His personal qualifications are exemplary and are more than befitting for a Supreme Court Justice.

Judge Roberts’ educational record speaks for itself. He graduated Summa Cum Laude from Harvard in only 3 years and also received his law degree with high honors. Additionally, he served as an editor of the Harvard Law Review.

I believe that Judge Roberts will be fair and non-partisan and serve America’s highest court well. According to The National Journal, “John Roberts seems a good bet to be the kind of judge we should all want to have—all of us, that is, who are looking less for congenial ideologues than for professionals committed to the impartial application of the law.”

Likewise, his personal integrity is unquestionable. For example, Judge Roberts argued the case of Barry v. Little in which he represented the case of Barry v. Little in which he represented a class of the neediest welfare recipients free of charge before the DC Court of Appeals.

Republicans and Democrats alike have also acknowledged Judge Roberts’ outstanding character. Democratic lawyers Lloyd Cutler and Seth Waxman and former Republican White House Counsel C. Boyden Gray have cited his “unquestioned integrity and fairmindedness.”

Mr. Speaker, it is clear that Judge Roberts offers everything we could ask for in a Supreme Court nominee. I therefore urge the Senate to hold fair and speedy hearings in order to fill this vacancy as soon as possible.
A PROCLAMATION CELEBRATING THE ACHIEVEMENTS OF AMBASSADOR ALBERT RAMDIN

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Ambassador Albert Ramdin is well prepared to serve as Assistant Secretary General of the Organization of American States during the 35th Regular Session of the General Assembly; and

Whereas, Ambassador Albert Ramdin has dedicated his life to public service having displayed his vast array of talents in multiple arenas such as Senior Adviser to the Minister of Trade and Industry of Suriname, Chairman and member of several national policy development committees including the “Establishment of the Investment Fund” and “Privatization of State Enterprises” committees, Adviser to the Minister of Foreign Affairs, the Minister of Finance of Suriname, and Suriname’s non-resident Ambassador to Costa Rica, among other endeavors; and

Whereas, Ambassador Albert Ramdin has had an extensive history with the Organization of American States including chairing the Permanent Council and the Inter-American Council for Integral Development, and serving as Ambassador Extraordinary and Plenipotentiary and Permanent Representative; and

Whereas, Ambassador Albert Ramdin’s distinguished involvement with the Caribbean Community has involved serving as Co-Chair of the Central America High Level Technical Committee and as Assistant Secretary-General for Foreign and Community Relations.

Therefore, I join with the family, friends, and colleagues of Ambassador Albert Ramdin to honor and congratulate him in his new position of Assistant Secretary General of the Organization of American States.

SUPPORTING GOALS OF NATURAL MARINA DAY AND URGING MARINAS CONTINUE PROVIDING ENVIRONMENTALLY FRIENDLY GATEWAYS TO BOATING

SPEECH OF
HON. TIMOTHY H. BISHOP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 2005

Mr. BISHOP of New York. Mr. Speaker, I rise in strong support of H. Res. 308, a bill supporting the goals of National Marina Day, and urging that marinas continue providing environmentally friendly gateways to boating.

In my district on Eastern Long Island, business associated with local marinas is important to vacationers and residents alike. The tourism and fishing industries are two of the most important contributing elements of the local economy, and marinas help these economic engines create much needed revenue throughout Brookhaven and the five East End Towns.

There are more than 12,000 marinas nationally that benefit local communities by providing safe and reliable gateways to boating. The marinas of the United States serve as stewards of the environment, and they actively protect the waterways that surround them for current and future enjoyment.

The Marina Operators Association of America has designated August 13, 2005, as National Marina Day to increase awareness among citizens and elected officials about the many contributions marinas make to communities, and it is important that Congress support this initiative.

As vacationers throughout the country flock to the coasts for well-deserved vacations, it is important that we recognize the significance of marinas. I therefore echo the Marina Operator’s support for National Marina Day and urge my colleagues to do the same.

PERSONAL EXPLANATION

HON. TOM COLE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. COLE of Oklahoma. Mr. Speaker, on Monday, July 25, 2005, I was unavoidably detained on official business overseas.

I respectfully request that the CONGRESSIONAL RECORD reflect that had I been present and voting, I would have voted as follows:
- Rollcall No. 417: “Yes” (On motion to suspend the rules and agree to H.J. Res. 59);
- Rollcall No. 418: “Yes” (On motion to suspend the rules and agree to H. Con. Res. 181);
- Rollcall No. 419: “Yes” (On motion to suspend the rules and agree to H. Res. 376).

15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

SPEECH OF
HON. WILLIAM J. JEFFERSON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. JEFFERSON. Mr. Speaker, fifteen years ago—on July 26, 1990—our great Nation made a promise to the disabled community that we have a moral obligation to keep. We said no to discrimination. We said no to segregation. We said yes to inclusion and equality.

Today marks the 15th Anniversary of the enactment of the Americans with Disabilities Act (ADA), the most sweeping civil rights legislation since the Civil Rights Act of 1964.

I am immensely proud to have been a part of reauthorization efforts of this important legislation, and I will never forget all of the advocates for the disabled at the signing ceremony on the South Lawn at the White House.

This landmark law sent an unmistakable message: It is unacceptable to discriminate against someone simply because they have a disability. Moreover, it is illegal—in employment, in transportation, in public accommodations, and in telecommunications.

The ADA recognized that the disabled belong to the American family; that a disability need not be disabling. Disabled Americans can share in all our Nation has to offer.

Over the last 15 years, the ADA has allowed hundreds of thousands of Americans to join the workforce, attend school, travel, or drive a car—many for the first time in their lives. The ramps, curb cuts, Braille signs, and captioned television programs that were once novel are now ubiquitous.

However, the first 15 years of the ADA have not been without challenge. Too often, the intentions of the ADA have been misinterpreted by our courts, which have given it a narrow construction that its authors never intended.

To date, people with diabetes, heart conditions, cancer and mental illnesses have had their ADA claims kicked out of court because, with improvements in medication, they are considered too functional to be considered disabled.

Together, these decisions represent a dangerous chilling away at the foundation of equality which we poured 15 years ago when the ADA was enacted. And they are a reminder as we commemorate this 15th Anniversary that our work is not done.

This is clearly not what Congress intended when it passed the ADA and the first President Bush signed it into law. We intended the law to be given a broad construction, not a narrow one.

Today, let us renew our commitment to the principles and spirit of the ADA—a law that benefits our great Nation, which stands for liberty and freedom. Today, let’s commit to keep the promise we made when we enacted the ADA, because while its promise remains unfulfilled, it still is within reach.

Thus, I join my Congressional colleagues and demand that we commit ourselves to expanding opportunities for individuals with disabilities and all Americans. Only then will we live up to the ideals of equality and opportunity.

RECOGNITION OF PETER DERBY

HON. CHARLES H. TAYLOR
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. TAYLOR of North Carolina. Mr. Speaker, Following the ADA in 1990, Mr. Derby served as an elected member of the SEC at the end of July. Mr. Derby will leave the SEC at the end of July. He will be leaving a legacy of hard work and accomplishment at that agency. Chairman William Donaldson praised Mr. Derby thusly: “Peter has played a critical role as a trusted Member of our senior management team during a critical period at the Commission. He was instrumental in increasing the operational efficiency and effectiveness at the Commission and served with distinction and integrity. Peter will leave a strong and lasting legacy at the Commission.”

Mr. Derby has announced that he will leave the SEC at the end of July. He will be leaving a legacy of hard work and accomplishment at that agency. Mr. Derby was involved in a wide array of public policy initiatives that included public service ventures which left him well prepared to take over a position of such importance.

Peter served as an elected member of the
Board of Trustees of the Village of Irvington-on-Hudson, NY. Derby spent a decade in Russia, where at the forefront of democratizing that nation’s markets and banking infrastructure. He participated in the founding of DialogBank in 1990, the first private Russian bank to receive an international banking license. He moved rapidly through the ranks and was named Chairman of the Board of this institution in 1997. In addition, Derby founded the first Russian investment firm, Troika Dialog. Prior to Derby’s time in Russia, he was a Corporate Finance Officer at National Westminster Bank from 1985–1990 and an Auditor at Chase Manhattan Bank.

Mr. Derby worked seamlessly with Chairman Donaldson to repair the damaged image of our Nation’s corporations and financial markets. In addition to improving the overall efficiency of SEC operations, Derby oversaw the creation of the Risk Management Program to create a more proactive posture. He also produced the first-ever audited financial statements of the SEC as well as leading the development of an implementation program for aligning facilities, technology and organizational systems with the agency’s strategic themes.

Mr. Speaker, I know that my colleagues will join me in giving thanks to Peter Derby for his service to our Nation in a time of challenge. It is reassuring to the United States to know that there are people who will give time from their lives to help our country.

A PROCLAMATION RECOGNIZING THE KENYA CANNING COMMITTEE UNDER THE DIRECTION OF KEITH COPE

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr.NEY. Mr. Speaker, whereas, Keith Cope and the congregation of Leeville Township Community Chapel began a ministry for the 1,000 members of Pastor John Okinda’s church in Migori, Kenya; and

Whereas, the Kenya Canning Committee is committed to collecting two separate shipments of 30,000 jars with the purpose of teaching the Kenya congregation to properly store food through canning to reduce the re-purchasing of canned foods; and

Whereas, the Kenya Canning Committee has also raised $45,000 to supply the congregation with a tractor and are planning to raise funds to purchase a water tank all to aid in their quest to end starvation in Migori, Kenya; and

Whereas, previous shipments enabled Pastor Okinda’s members to successfully can food for the first time in June, 2005.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating the Kenya Canning Committee under the direction of Keith Cope for their outstanding accomplishments and best wishes for all their future endeavors.

PERSONAL EXPLANATION

HON. PATRICK J. TIBERI
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. TIBERI. Mr. Speaker, on Monday July 25, 2005, I was delayed in returning to Washington, DC from Columbus, OH due to inclement weather. As a result, I was unable to record a vote on rollcall No. 41–H.J. Res. 59, No. 418–H. Con. Res. 181, and No. 419–H. Res. 376. I support the measures and had I been present, I would have voted “yea” on rollcall Nos. 417, 418 and 419.

IN MEMORY OF SPECIALIST MICHAEL R. HAYES

HON. PETE SESSIONS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. SESSIONS. Mr. Speaker, I rise today to honor U.S. Army Specialist Michael R. Hayes, an American hero who lost his life in defense of liberty and freedom. He made the ultimate sacrifice so that others might know freedom, and I am humbled by his bravery and selflessness.

Spe. Michael Hayes was killed on June 14, 2005 when a rocket-propelled grenade hit his Humvee while he and four other Marines were providing security around a suspected explosive device near Baghdad. He was 23 years old. Spe. Hayes was assigned to the 617th Military Police Company, Kentucky Army National Guard at Richmond, KY. In addition to his family, fiancée and country, Spe. Hayes loved soccer. He founded the girls’ soccer program at Butler County High School of Kentucky six years ago and was a devoted coach.

He took this love from the soccer fields to the streets of Iraq where he took particular pride in seeing the children attend their newly built or refurbished schools. He wrote often of the Iraqi children and how their smiles brought him comfort. His leadership, dedication and enthusiasm will be missed.

He is survived by his mother, Barkley Hayes, fiancée, Melissa Allen, sister, Spe. Melissa Stewart, and brother, Spe. James Hayes, both of whom serve in the 617th Military Police Company.

I want to thank his family for raising such a fine man. As the father of two sons, I know their sacrifice is indescribable. Spe. Hayes leaves behind a legacy marked by courage, integrity and character. It is an honor and a privilege to represent his family in Congress. May God bless them, and may I convey to them the many thanks of a grateful Nation.

PERSONAL EXPLANATION

HON. GINNY BROWN-WAITE
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. BROWN-WAITE of Florida. Mr. Speaker, on July 25, I was detained in Florida due to a doctor’s appointment and as a result, missed the day’s votes. I ask that my absence be excused and the CONGRESSIONAL RECORD shows that had I been present for rollcall No. 417—the motion to suspend the rules and pass H. J. Res. 59, I would have voted “yea”; for rollcall No. 418—the motion to suspend the rules and pass H. Con. Res. 181, I would have voted “yea”; and for rollcall No. 419—the motion to suspend the rules and pass H. Res. 376, I would have voted “yea.”

THE STAKES IN CAFTA

HON. JUDY BIGGERT
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. BIGGERT. Mr. Speaker, I submit the following article for the RECORD:

(From the Washington Post, July 26, 2005)

THE STAKES IN CAFTA

The House is getting ready to vote on the Central American Free Trade Agreement (CAFTA), a deal that would bind the five nations of Central America plus the Dominican Republic to the U.S. economy. From a commercial standpoint, it’s curious that most Democrats in the House resist the agreement with 90 percent of their exports already enter the United States without tariffs, so the main effect of the deal will be to open the region to U.S. products. But the political argument for CAFTA is at least as compelling. While the United States has been focusing on terrorism, a new challenge has been brewing in its own hemisphere. House members should consider this challenge before voting to slam the door on Central America’s pro-American leaders.

For much of the post-Cold War period, U.S. anxieties in Latin America seemed to be fading. The disintegration of the Soviet Union left Cuba’s Fidel Castro without subsidies, undermining his power to buy influence in the region. The peace process in Central America succeeded, ending leftist insurgencies in El Salvador and Guatemala and leading to elections in Nicaragua that displaced its Marxist government. Democracy already had displaced often populist dictatorships across South America; in Mexico, a pro-American, pro-market presidential candidate succeeded against drug and traditionally leftist Institutional Revolutionary Party. The remaining U.S. problem in Latin America was the drug war. Although the cartel drug war is ruthless, they were not trying to rally Latin Americans behind an anti-Yanqui banner.

In the past few years, however, an attempt has been made to revive the political challenge once represented by Mr. Castro. It centers on Venezuela’s Hugo Chavez, who combines Castroite rhetoric with the financial clout of Venezuela’s oil. Chavez has spread his money around the region, sponsoring anti-American and anti-democratic movements and promoting alternatives to U.S. initiatives. To counter the U.S. trade agenda, for example, he has put forward a “Bolivarian Alternative.” This has given critics of the United States something to advocate. El Nuevo Dia, a Nicaraguan newspaper that is critical of CAFTA, praised the Bolivarian Alternative recently, asserting that “America is for the Americans, not for the North Americans.” In Costa Rica critics of CAFTA who draw inspiration from Mr. Chavez have made no secret of the fact that they oppose the deal because they oppose the United States.

Most House Democrats don’t want to hear this; they claim that CAFTA is opposed by
“pro-poor” groups in the region. But this claim is troubling on two levels. First, CAPTA would actually help the poor: it would create 300,000 new jobs in shoes, textiles and apparel. But second, the defeat of CAPTA would create a new mechanism for enforcing labor rights; and a World Bank study has found that the vast majority of poor families in the region would gain from the Standard. And while the ADA, as written, is not yet a complete statute, it is not disabled enough by the courts to be pro-tected by the ADA. This violates the spirit and intent of the ADA, which was designed to pro-tect employees from discrimination based on real or perceived impairment. Congress should take action to correct these court decisions and strengthen the ADA.

As a member of the House Ways and Means Committee, I was pleased that in 1999 Congress enacted the Ticket to Work Act, which provides Americans receiving disability benefits with greater access to vocational re-habilitation services. This initiative provides tickets to recipients of both Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) that can be used to pur-chase rehabilitation, employment and other supportive services designed to help them se-cure and maintain a job. Payments to pro-viders of these services are based on the suc-cess individuals using the tickets have in over-coming barriers and ultimately in becoming employed.

The Ticket to Work Act also created state options to eliminate the dilemma faced by many individuals receiving disability benefits— whether to choose between work and health insurance coverage. The Ticket to Work Act allows States to adopt a Medicaid "buy-in" program to permit individuals to maintain Medicaid cov-erage while still working. Finally, the measure extended Medicare Part A coverage to work-ing SSDI beneficiaries for a total of 6 1/2 years—4 years beyond the coverage pre-viously provided by Medicare.

As our Nation celebrates the 15th anniver-sary of the ADA, let us rededicate ourselves to carry out the commitment of that historic legis-lation.

PERSONAL EXPLANATION

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Mr. NEY. Mr. Speaker, whereas, Officer Keith D. Atkins is an exceptional individual worthy of merit and recognition; and Whereas, Officer Keith D. Atkins has acted with graciousness and selflessness; and Whereas, Officer Keith D. Atkins should be commended for his excellence, for his leadership and integrity, and for his ongoing efforts to affect other people's lives in a positive and in a changing and improving manner.

Therefore, I join with the family whose time was enhanced by Officer Keith D. Atkins' per-sonal tour of the Capitol, which was beyond his realm of duty, and for his accommodating and courteous attitude while assisting them throughout their day at the Nation's Capitol.

15TH ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT

HON. BENJAMIN L. CARPIN
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Mr. CARPIN. Mr. Speaker, today we cele-brate the 15th anniversary of the signing of the American with Disabilities Act (ADA). The ADA extended landmark civil rights protections to an estimated 43 million disabled Americans, which is roughly 1 out of every 7 Americans. It established a comprehensive prohibition of discrimination on the basis of disability in the areas of employment, public services, trans-portation, and telecommunications.

The ADA seeks to guarantee that every American should have the right to live inde-pendently and fully participate in all aspects of our society. The ADA has had its greatest successes in improving physical accessibility, transportation and communications. The ADA has also begun to change society's attitudes toward people with disabilities.

Despite this impressive progress, the prom-ise of the ADA unfortunately remains unfilled for too many disabled Americans. In the area of employment, for example, today only 35 percent of people of working age who have a disability are employed, compared to 78 per-cent of people without disabilities. Federal courts have also issued rulings interpreting the ADA whereby individuals may be considered too disabled by an employer to get a job, but not disabled enough by the courts to be pro-tected by the ADA. This violates the spirit and intent of the ADA, which was designed to pro-tect employees from discrimination based on real or perceived impairment. Congress should take action to correct these court decisions and strengthen the ADA.

As a member of the House Ways and Means Committee, I was pleased that in 1999 Congress enacted the Ticket to Work Act, which provides Americans receiving disability benefits with greater access to vocational re-habilitation services. This initiative provides tickets to recipients of both Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) that can be used to pur-chase rehabilitation, employment and other supportive services designed to help them se-cure and maintain a job. Payments to pro-viders of these services are based on the suc-cess individuals using the tickets have in over-coming barriers and ultimately in becoming employed.

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As our Nation celebrates the 15th anniver-sary of the ADA, let us rededicate ourselves to carry out the commitment of that historic legis-lation.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Mr. ORTIZ. Mr. Speaker, due to important congressional business, I was unable to vote during the following rollcall votes. Had I been present, I would have voted as indicated below: rolcall No. 417: yes; rolcall No. 418: yes; and rolcall No. 419: yes.

CONGRATULATIONS TO TOM CLEVELAND

HON. MICHAEL C. BURGESS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Mr. BURGESS. Mr. Speaker, I rise today to congratulate the outstanding performance of O fficer Tom Cleveland at the World Police and Fire Games in Quebec City, Canada. The World Police and Fire Games, the sec-ond largest international sporting event, has been a longstanding tradition for Law Enforce-ment Officers and Firefighters in several coun-tries throughout the world. This international event takes place every other year as a chance for them to showcase their athletic abilities.

This year, Tom's determination and drive led him to be one of the best among the 10,000 competitors from 51 countries world-wide. He finished 3rd in the 400 Int. Hurdles, 5th in the 110 High Hurdles and 12th in the Toughest Competitor Alive competition.

I am proud to recognize Officer Tom Cleve-land a fine citizen and athlete. We are proud of his accomplishments and to have him rep-reSENT and serve the North Richland Hills Community, the 26th District of Texas, and our great Nation.

A PROCLAMATION HONORING JIM CARNES ON THE OCCASION OF HIS RETIREMENT FROM THE OHIO DEPARTMENT OF NATURAL RESOURCES

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Mr. NEY. Mr. Speaker, whereas, Jim Carnes is retiring from the Ohio Department of Natural Resources after years of exemplary service; and Whereas, Jim Carnes served the people of the State of Ohio as a State Senator from 1995 until 2004 representing the former twentieth Senate district, having over forty pieces of legislation passed into law during his terms in office; and Whereas, Jim Carnes has been among the most well-liked and well-respected men, noted for his energetic spirit and dedication to his job; and Whereas, Jim Carnes will be deeply missed by all who have had the privilege to work with him.

Therefore, I join with his fellow colleagues, family, and friends in thanking Jim Carnes for his service to the State of Ohio and wish him the very best on the occasion of his retire-ment.

PERSONAL EXPLANATION

HON. CHRISTOPHER SHAYS
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Mr. SHAYS. Mr. Speaker, on July 25, I was returning to Washington from an overnight trip in Iraq and, therefore, missed three recorded votes.

I take my voting responsibility very seriously and would like the CONGRESSIONAL RECORD to reflect that, had I been present, I would have voted yes on recorded vote No. 417, yes on recorded vote No. 418, and yes on recorded vote No. 419.

TRIBUTE TO MAXINE FREEMYER— THE PERFECT OLDER AMERICAN

HON. MARILYN N. MUSGRAVE
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor Maxine Freemyer. Maxine Freemyer is the perfect example of a successful older American. At 93 years young, she refuses to allow her advancing age, failing eyesight or
other health problems get her down. She makes every day count.

As a long-standing volunteer at the Benton County HealthCare Center, she has dedicated the past 25 years to helping the elderly. Some of the duties she has willingly performed include serving lunches each day, communicating with family and friends on their behalf, and just spending time listening to the residents reminisce about the past.

She has received several prestigious awards for her volunteerism, including Colorado Volunteer of the Year and the Colorado Cares award presented by Governor Bill Owens. Serving others is her passion, which helps keep her active and spry.

Maxine Freemeyer's gardening abilities are second to none. Her hard work and special skill in tending to her flowers are showcased in a dazzling display of color from early spring until late fall. Her magnificent garden is a gift to her neighbors and community.

Caring, compassionate, hard working and dedicated are all words that describe Maxine. Her zest for life is inspiring to young and old alike. I am proud to represent such an individual in the U.S. Congress.

IN RECOGNITION OF 20 YEARS OF SERVICE BY PASTOR BERNARD YATES TO THE ZION HOPE PRIMITIVE BAPTIST CHURCH

HON. JEFF MILLER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. MILLER of Florida. Mr. Speaker, it is a great honor for me to rise today to extend my congratulations to Pastor Bernard Yates for having served 20 years as pastor to the Zion Hope Baptist Church in my district for 20 years.

Since 1985, Pastor Yates has led the growth of the Zion Hope congregation from approximately 300 to over 2,000 members, with three Sunday services and a major midweek service as well. Pastor Yates initiated the Zion Christian Center Training and Biblical Study, founded the Hope Christian Academy, and launched the Young-at-Heart ministry. These three ministries are just a few examples of the many ministries that he has helped start within the church.

Pastor Yates is joined in much of his work by Vonda Yates, his wife of 23 years. Together, they have worked diligently through Bible studies and writing to help families live Godly lives. Vonda is known for her work with women's conferences as well, while Bernard is called upon to speak at men's conferences and retreats across the Nation.

The selfless contributions of this man are not limited to just one church; Pastor Yates has also been a civic leader, dedicating time to the Boys and Girls Club, the Fellowship of Christian Athletics, a special community advisory board for the county commissioners, advisory for the Escambia County Sheriff's Office, and the Escambia County School District. His wisdom is regarded just as highly at a meeting as it is at the pulpit.

Mr. Speaker, on behalf of the United States Congress, I would like to offer my sincere congratulations to a man who could serve as a role model to us all. A deep sense of personal service to a congregation for 20 years is something to truly be admired, and I am thankful for his dedication to the Zion Hope Primitive Baptist Church.

NATIONAL HISTORIC PRESERVATION ACT AMENDMENTS OF 2005

HON. NICK J. RAHALL II
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RAHALL. Mr. Speaker, today I am introducing legislation to reauthorize two important aspects of the National Historic Preservation Act. Specifically, my legislation will extend authorization for deposits into the Historic Preservation Fund through 2011 and will permanently authorize funding for the Advisory Council on Historic Preservation. In effect, we are extending authority for the money and expertise necessary for the Historic Preservation Act to continue fulfilling its purpose.

Allowing the Act to continue fulfilling its purpose is critical. As Americans, we revere our past. The individuals, cultures, institutions and events which precede our arrival at this place and time provide insight not only into who we are today, but also who we aspire to be tomorrow. This is the 229-year history of this nation, the 513-year history of Europeans in North America, and it is especially true for the tens of thousands of years of Native American history on this land.

Preserving this rich tapestry of cultures and traditions requires coordination of federal, state, local and private efforts. The centerpiece of federal historic preservation is the National Historic Preservation Act. Enacted in 1966, the Act provides an array of tools, as well as a funding source, which are central to preserving that which came before us.

Preserving this rich tapestry of cultures and traditions requires coordination of federal, state, local and private efforts. The centerpiece of federal historic preservation is the National Historic Preservation Act. Enacted in 1966, the Act provides an array of tools, as well as a funding source, which are central to preserving that which came before us.

One of those tools is the Advisory Council on Historic Preservation which has two important roles under the Act. One is to assist the Secretary of the Interior in cataloguing and preserving known historic resources through the National Register of Historic Places and other programs. In addition, the Council assists all federal agencies in avoiding damaging or destroying historic resources through consultation under the Act. The Council is not empowered to control agency decision-making or federal property.

Last reauthorized for five years in 2000, the Council is made up of Agency heads and Presidential appointees with diverse backgrounds. My legislation recognizes the critical importance of the Council by providing it permanent authorization while also making several important changes in the Council’s make-up and operation.

In addition, this bill will extend authorization for deposits into the Historic Preservation Fund for the next six years. The Fund is administered by the National Park Service and provides matching grants to states and territories for a variety of historic preservation programs including statewide historic preservation surveys and preservation plans. The Fund also provides matching grants to Indian Tribes, Alaskan Natives, Native Hawaiians and Historically Black Colleges and Universities for cultural heritage projects and the preservation of historic structures.

The source for the Historic Preservation Fund is a small percentage of the enormous revenues generated by oil and gas development in the Outer Continental Shelf. This legislation would allow that funding to continue flowing into the Fund through 2011.

Mr. Speaker, it is my hope that we can move forward quickly on this legislation to allow the Council and the Fund to continue working. This legislation is nearly identical to a companion bill in the Senate as well as legislation introduced in the previous Congress which received the support of the Advisory Council, the National Park Service, and the Historic Preservation Community.

These are vital programs serving to preserve and protect the story of American and its people.

A PROCLAMATION HONORING ROMAN BUHLER AND MARY JABLONICKY BUHLER

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Roman and Mary Buehler have dedicated their lives to each other; and Whereas, Roman and Mary Buehler have shown the love and commitment necessary to live a long and beautiful life together; and Whereas, Roman and Mary Buehler have chosen to share their special day with friends and family.

Therefore, I, join with the residents of the entire 18th Congressional District of Ohio in congratulating Roman and Mary Buehler on the occasion of their marriage.

COMMENDING THE LAUNCH OF THE SPACE SHUTTLE ‘DISCOVERY’

HON. JEB HENSARLING
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. HENSARLING. Mr. Speaker, today is a truly momentous day in the history of our space program. The liftoff of the Space Shuttle Discovery is significant achievement for the National Aeronautics and Space Administration (NASA). It is also a solemn tribute to the astronauts lost in last shuttle mission and the East Texans who helped in the wake of that tragedy.

Two years ago, on a quiet Saturday morning, millions of Americans witnessed the tragic loss of the Space Shuttle Columbia and its seven heroic crewmembers in the skies over East Texas. While we will never be able to bring back the crew of Space Shuttle Columbia, I am pleased to see our space program reaching for the stars once more by launching the first shuttle mission since that disaster.

The crew of the Discovery, and their support team at NASA, have been working hard to get our shuttle program back on track. To increase the safety of the crew, the scientists at NASA have made multiple improvements on the shuttle. The Columbia accident investigation board made 15 recommendations that have been implemented for this flight, as well as 29 other improvements to launch, orbit, and reentry procedures. Commander Eileen Collins
and her crew, James Kelly, Andrew Thomas, Wendy Lawrence, Charles Camarda, Stephen Robinson, and Soichi Noguchi are piloting the safest, most sophisticated, and most reliable spacecraft ever built.

This successful lift off, NASA’s 114th shuttle mission, is a tremendous event. It is important that we remember the dangerous nature of space flight and exploration. As President Ronald Reagan said after the loss of the Space Shuttle Challenger, “We’ve grown used to the idea of space, and perhaps we forget that we’ve only just begun.”

This week, we congratulate the scientists and technicians who are upholding the greatest traditions of America’s space program. We recognize the spirit and courage of the space shuttle’s crew. We thank the countless number of East Texans that helped in the search for evidence and answers in the wake of the Space Shuttle Columbia tragedy. And finally, we honor the memory of those brave men and women who have gone before in the name of exploration and in the quest for discovery.

HONORING KEVIN BRAGG ON THE COMPLETION OF HIS INTERNSHIP

HON. BART GORDON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to recognize the many contributions Kevin Bragg has made while interning in my Washington, DC, office. Kevin has been a wonderful addition to the office and a great servant to the constituents of Tennessee’s Sixth Congressional District.

But Kevin must return to Murfreesboro, the hometown we share. This fall, Kevin will begin his senior year at the University of Tennessee, where he is a political science major and a member of the Pi Sigma Alpha honor society. During his internship, Kevin won over the entire staff with his ever-present eagerness and genuine interest in public affairs. He has attended briefings, addressed constituent concerns and served as a friendly and informative tour guide of the U.S. Capitol, providing visitors from Middle Tennessee with a personalized look at a national treasure.

I hope Kevin has enjoyed his internship as much as my staff and I have enjoyed his presence in the office. I wish him all the best in the future.

THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise today to recognize the importance of the fifteenth anniversary of the passage of the Americans with Disabilities Act, the ADA. This legislation has played a vital role in ensuring that all Americans are granted the opportunity to fully participate in all aspects of society.

With the bipartisan support of this body and the Senate, President George H.W. Bush signed the Americans with Disabilities Act as a mechanism to ensure that “every man, woman and child with a disability can now pass through once closed doors into a bright new era of equality, independence, and freedom.”

Thanks to the ADA, we have taken significant steps towards the achievement of that goal. The Act required educational facilities to become accessible to those in wheelchairs, opening the doors to learning and opportunity for thousands of Americans. It ensured the availability of transit, entertainment, and commercial accommodations for the visually and hearing impaired, and the blind, guaranteeing them an opportunity to participate in cultural events, media events, and public engagements.

The ADA has substantially moved this country forward in terms of our relationship with a group of Americans who had once been unfairly excluded for their physical abilities. We have taken important steps to increase the opportunities and lower the barriers to the equal and just treatment of all Americans. We have opened doors through the ADA for the full participation and contribution of individuals to our society.

Despite the efforts of the last decade and a half, we still have further to go. We still have more work to do to assist our citizens with disabilities. Today, approximately two-thirds of people with disabilities of working age are still unemployed. While many factors influence the high rate of unemployment for the disabled, a third of non-workers with disabilities reported their need for some type of accommodation as a major factor in their unemployment. An interesting aspect of this is their requests are minor accommodations—elevators, closer accessible parking, and special worksite features modifications that are not particularly expensive to make, especially with advance planning.

Likewise, proposed cuts in housing, assistance technology, training, and other assistance programs threaten to undo many of the advances we have made in the last 15 years to help those with disabilities.

Whether it is the costs involved or the willingness to reach out to this brave segment of our national workforce, people with disabilities are still discouraged from opening some doors of opportunity. They still need more assistance in their fight for justice.

I encourage the Members of this chamber, as well as citizens and employers across the country, to pursue reinvigorated efforts at ensuring that every man, woman, and child is afforded an opportunity to success. Let us find ways to help every citizen build a better life as we create the conditions for a better America.

THANK YOU, BONNIE RINALDI

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. PORTER. Mr. Speaker, I rise today to recognize the contributions of Bonnie Rinaldi. Bonnie recently retired from the position of Henderson’s Assistant City Manager on July 14th, and will be sorely missed by all.

Bonnie’s public service spanned almost 30 years, starting as an intern in North Las Vegas. Since her intern days, Bonnie served in many aspects of city government, including assistant city manager for Clark County, before accepting the position of Assistant City Manager for Henderson in 1999.

I have known Bonnie for many years and consider her a good friend. I have also treasurededly enjoyed working with her. Her intelligence and personal style have been strong and effective leader throughout Southern Nevada. Those who worked with Bonnie sometimes referred to her as the “little engine that could,” skipping from meeting to meeting without missing a beat. Bonnie’s life philosophy is that, with some determination, hard work, anything could be accomplished—quality that will continue to take her far in life.

I wish Bonnie the best of luck in her retirement. It will be hard to imagine the City of Henderson without her.

HONORING CHRISTOPHER TATUM ON THE COMPLETION OF HIS INTERNSHIP

HON. BART GORDON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to thank Christopher Tatum for his service during his internship this summer. Chris is a resident of Gallatin, Tennessee, and he has been a tremendous help to my constituents in Tennessee’s Sixth Congressional District.

Chris is returning home to prepare for his junior year at the University of Mississippi. As he finishes his experience in Washington, he already is looking toward the next adventure—studying in Italy during the fall semester.

Chris’s remarkable attitude and eagerness have served him well as he has experienced the many facets of Congress first-hand. He has been very helpful in answering constituent concerns, guiding visitors through the U.S. Capitol and assisting me and my staff with countless projects.

I hope Chris has enjoyed this learning experience as much as we have enjoyed having him in the office. I wish him all the best in his future endeavors.

THE STRUGGLES OF DAMU SMITH

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise to bring to the attention and consciousness of this body the important and significant battles of a courageous warrior for justice, peace, and equality, Mr. Damu Smith. Damu has been a constant and consistent champion of peace and continues his fight for love and justice despite his struggle with cancer. I applaud this simple man, this mighty activist, and this concerned citizen of the world for his tireless struggle to make the world a better place. I encourage him to continue his fight, knowing that others are aware of his struggle and continue to need his leadership.

A passionate believer in peace and global peace movements, Damu has fought to raise the awareness of the world community of the
ugliness of apartheid in South Africa, the brutality of government injustice and gun violence, the need for environmental awareness and justice, and the international fights against racism, injustice, and discrimination. He has advocated peace instead of nuclear arms. He has sought reconciliation rather than violence. He has battled intolerance in lieu of understanding.

A mere perusal of his life story would demonstrat‌e to any of us that Damu has been a consistent champion of peace and justice wherever hatred and injustice reside. His humanitarian efforts and the sense of person responsibility is not bound by social expectations.

Damu, this champion of justice and peace, nonetheless is currently waging a battle with cancer. I wish him well in his persistent fight against the disease.

I hope the struggle of Damu Smith does not go unnoticed by my colleagues in this body. I hope we see the challenges and struggles that face our relentless pursuers of peace, justice, and equality. I hope we take steps to prevent Damu's situation from being repeated on future generations of Americans. While he is a true fighter to the core, Damu's struggle has not been easy. Yet he continues to persist in his advocacy of peace and justice.

What is more disturbing about Damu's case is that he is to both his great fortune and environmental causes behind his disease: A family history and a location in "Cancer Alley"—a small section of Louisiana with a number of industrial plants and facilities and high rates of cancer, lung conditions, and skin irritations. It would seem that the Congress could investigate whether there is a correlation between these incidence and the industrial population of the community.

I nonetheless praise the continued struggle of this fighter for justice and warrior for peace.

FAITH AND DELIVERANCE: DAMU SMITH WAGES WAR ON CANCER

Damu Smith has a name bouncing around rooms with the same quiet reverie often reserved for more popularly known figures: Nelson Mandela or Desmond Tutu. Sometimes, there's a knowing smile or two. Smith is a kind of modern-day superstar among activists: fierce, passionate, courageous, God-fearing. His celebrity has reached far and beyond Washington D.C., into the far corners of the Earth. Where there is any semblance of injustice, rest assured, Damu Smith is planning strategic countermoves.

Smith's activism is a call to civic consciousness against apartheid in South Africa, gun violence, police brutality and government injustice. He worked to effect peace and a frozen conflict, by fear, weapons, and advocated for environmental justice, both in America and abroad. In fact, Smith was in Palestine, heading up a delegation of protest against unfair treatment suffered by Palestinians at the hands of the Israeli government, when he collapsed, subsequently being diagnosed with colon cancer.

As a result, Smith has always appeared larger than life, particularly to this reporter, who met him more than 20 years ago as a pre-teen. Interviewing Smith became a challenge of reporting, for I couldn't overcome. I was nervous. I wasn't sure what to expect, so I stood outside his apartment door for a solid five minutes, willing each knock to become just a little more audible to him on the other side. Finally, I entered at his behest, "Come on in, the door is open.

Once I'd taken off my shoes and peered around the corner, I was able to get a full glance at Damu. His eyes were bright, his skin flawless and his smile brighter than ever. He bustled around his apartment with a small contingent of associates: his friend and doctor of more than 30 years, Jewel L. Crawford; a friend from front line; lawyers; and others who came and went in fluid motions. There is a handwritten note attached to a life-sized handprint on African sandstone. Various treasures decorating Damu's home. Above a litany of daily affirmations, is written, "With God All Things Are Possible." All along, he answered questions and telephone calls, gave directions to Dulles International Airport, passed out fresh juice and (laughed). Dr. Crawford answered my question and confusion without me asking; "Damu approached his disease the same as he does everything in his life. He's a fighter, and he's getting stronger by the day faith.

Crawford would know. She was one of the first people Smith spoke with following his hospital admission. While Crawford says she cannot be certain she struck Smith, she is certain he will beat it.

"Damu has a family predisposition to this type of cancer. His paternal grandmother and his paternal aunt both died of it. He had to put a definite on it, because even though Damu is a vegetarian, never smoked [and] never drank, he was in one of the most toxic areas on the planet for an extended period of time. Being in Louisiana all that time could have been the element that pushed him over into being affected.

The area Crawford referred to is known as "Cancer Alley," a small section of Convent, LA., where a smorgasbord of industrial plant run-off brought on cancers, lung conditions and skin irritations among residents. In the early 1990s, Smith led an all-out campaign against the Japanese owners of the Shinite plants, and lived with some of the area's residents.

Smith himself agrees that living in a toxic environment could be the culprit in the development of his own disease, but says the family factor should not be overlooked.

"The air we breathe, the water we drink, the foods we eat and the homes in which we live are toxic. This is a very toxic environment we live in this millennium. I live a healthy lifestyle: I don't drink, don't smoke, never did an illegal drug. I'm a vegetarian and I eat organic food. And yet, I end up with colon cancer. Why? Could be a number of things," he surmised.

"Could be the toxic environment, could be the fact that within my family there's a genetic marker of colon cancer. My father died of it. My grandmother, his mother, had it. She didn't die of it. So, according to conventional medical doctors, I'm at greater risk because I have this family marker," said Smith.

Though he says he should have seen a doctor regularly, like most minorities, he didn't make it a top priority, especially since he was so health-conscious.

"I should have been at the doctor every year getting checked. I wasn't. I have to be honest with you, I used to think about going to the doctor, I'd say to myself, 'I don't want to find out anything bad. I just can't imagine anything bad happening to me because I eat so well.' I used to say that. I'm a fighter to the core, Damu's struggle has not been easy. Yet he continues to persist in his faith.

Damu's struggle has not been easy. Yet he continues to persist in his advocacy of peace and justice.

"There are a lot of people out there, when they hear that, allegedly, they have only three months, six months, a few days or a few weeks to live, they plan their lives accordingly. I plan to be here for several more years, and I'm thinking in that direction," said Smith.

The reality of death is all the more gripping because he lost a close friend to colon cancer around Christmas. Unlike his friend, however, in September, a few days later without a moment to prepare, Smith said he is grateful for the opportunity to fight for his life.

"Here I am. I've been alive three months since I was told, and I'm feeling great right now. Those tumors are shrinking. I'm sitting here with you now doing this interview and dreaming about this organic juice, and I am drinking it as much as possible because it heals the liver. I am taking chem- therapy, acupuncture, healing, breathology, everything in the toolbox of healing. I'm picking up and using on my body right now. And I'm keeping God at the center of everything. So, I don't plan to lose."

Smith is only human, and is clear about what his body is going through. He says that he hopes to meet his body's day-to-day function and how to improve those functions while his body is under attack is essential. Even this though, he says, takes a back seat to faith.

"I'm also a very practical person. I understand that I have a very serious disease occupying my body, but I'm claiming victory! Everything in his life. He's a fighter, and he's getting stronger by the day faith. But how does a poster child maintain in
by the St. Louis Cardinals. Mickey Owen went
guished himself in southwest Missouri by his
honor the life of Mickey Owen, who distin-
said Smith.
family and friends and God. I thank God for
and beautiful the love has been from my
describe how profound, how rich and warm
me in such wonderful ways. I cannot begin to
ning the fight.
the wristband, which resem-
begin to wonder if maybe he hadn't been
right. So, I have to work for them too,'' said
through this. I want her and all of her little
jewel of his life.'' ''I don't want her to go
refers to as ''Asha Boo-Boo'' and the ''crown
they need it,'' he argued.

tive, holistic, comprehensive, preven-
lems. They're between $700 to $900 dollars.
And if you're not insured, that's a major
sive. They're between $700 to $900 dollars.
Gordon. Mr. Speaker, I rise today to
thank Amy Taylor for her service to Ten-
西红大鑫三 ov

-9-7 9 0 9 5 0 1 3 9 0 6 0 0 0 0 0 5 (Harlem, USA)—Back by pop-
This celebration, exposure, and education of
community that has struggled with the soul and
legacy of generations of Americans.
Harlem Week is also a family event. Chil-
dren of all ages will be entertained throughout
time in recognizing its rich and beautiful
cultural attributes. The accomplishments
and history of the African-American cinema will be
highlighted alongside a celebration of Jazz
and music that has originated in Harlem. Har-

tage luminaries as Phylicia Rashad,
Koppoezo, Story-tellers, and
famous documentaries.
will be covered with an emphasis on achievement and educa-
that have been on the forefront of the
Kappa Delta sorority and a radio personality

to call Murfreesboro, Tennessee, home.
Amy will soon begin her senior year at Mid-
nesota State University, where she is
English major. She is a member of the
local radio station.
Amy was a tremendous help and a wonder-
ful addition to my office. She helped address
constituent concerns, assisted me and my
staff with numerous projects, and served as a
friendly and informative tour guide of the U.S.
Capitol, providing visitors from middle Ten-
nessis with a personalized look at a national
treasure.
I trust that Amy enjoyed her whirlwind in-
ternship and her first-hand experience of
workings of Congress. I know I enjoyed her fresh
perspective and enthusiasm during her
time here. I wish her all the best in the future.

HARING WEEK 2005: THE LEGACY CON-
HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005
Mr. RANGEL. Mr. Speaker, I rise today to
commend the 31st anniversary of a series of
festivities honoring the wonders of Harlem, my
home community which I am privileged to rep-
resent in the Congress. Harlem Week 2005 is a
 cultural, educational, and entertaining series of
activities designed to highlight the history,
traditions, and future of the Harlem community
that has grown from its modest beginnings to
become a major attraction for the residents of
the community and thousands of visitors annu-
ally.
A lifelong resident of Harlem, I have long
been proud of the many facets of my commu-
nity. From the music and arts of the Harlem
community to the politics and strategies of
Harlem's activists and leaders, this is a com-

HARING WEEK 2005: THE LEGACY CONTINUES
NEW YORK's PREMIERE FESTIVAL CONTINUES TO
CELEBRATE DECADERS OF COMMUNITY SERVICE
June 29, 2005 (Harlem, USA)—Back by pop-
ular demand, HARKLE WEEK, which cele-
brates its 31st Anniversary, returns with a
sweeping line up of exciting events, outdoor activities, concerts, and fun for the entire family. Themed “The Legacy Continues,” the culturally-rich affair swung into gear on July 19, as Mayor Bloomberg and the city of New York paid tribute to HARLEM WEEK, with a special private celebration and concert at Gracie Mansion. The Mayor’s affair will include special harmonious presentation from the hit musical, “Three Men ’Tenors,” along with soulful, rhythmic selections from Ron Anderson, the Harlem Jazz & Music Festival All Stars.

On Sunday, July 31st, HARLEM WEEK salutes the essence of Harlem during its “Great Day in Harlem” celebration at Ulysses S. Grant National Memorial Park, 122nd Street and Riverside Drive. This all-day, three-day event with the “Family Unity Day Cultural Festival” at 1:00 p.m., featuring family-oriented outdoor activities including theatrical excerpts, dance performances, story-telling, spoken word, and more. The celebration continues with the Harlem Jazz & Music Festival’s fashion extravaganza, featuring the latest, cutting-edge creations and accessories from emerging and leading urban designers. Runway activities begin at 5:00 p.m. The festival day will end with an expected “Grown and Under” surprise.

The Harlem Jazz & Music Festival and WBLS FM invites the entire family to join them for this enchanting moonlit night of great food, music, and performance at the Morgan, Layton, Harroway, Freddie Jackson, the Alvin Alley Dance Theater and other surprise guests pay homage to Harlem’s legacy. This spectacular affair, sponsored by Time Warner and Citibank, runs from 6:00 p.m.–9:00 p.m.

From August 2nd-6th, EBONY Magazine, in concert with HARLEM WEEK, presents Hollywood’s annual four-day affair, which celebrates the accomplishments and history of African-Americans in cinema, will take place at various venues in the Harlem community. On each evening, there will be a VIP reception, film screenings, and award presentations. With this event, EBONY continues a 60 year tradition of giving recognition to African-American actors, actresses, and filmmakers.

On August 9th and 21st, HARLEM WEEK invites everyone to come to uptown New York and take part in one of the city’s most exciting weekends, beginning on Saturday, August 20th, with the annual “Uptown Saturday Night” music festival. This all-day celebration consists of a plethora of exciting events as attendees take to the streets throughout Harlem, enjoying outdoor cultural arts, crafts, exotic foods and live entertainment from a variety of stages along West 135th Street (between Malcolm X Blvd and St. Nicholas Avenue). The annual “Flava” fashion show will stage the late-night party on Saturday Nite, and concert acts will be provided by stations Power 105, WKTU–FM, and Lite FM. Also taking place on August 20th is The Gospel Jam which features such acts as a petting zoo, story-tellers, and interactive arts, all with a strong emphasis on education and achievement, sponsored by Washington Mutual, The New York Post, and WXHR-LP.

Sunday, August 21st, is HARLEM DAY and the good times continue to roll. The entertainment line up, which includes The Children’s Festival will remain on 135th Street along with the addition of several exciting events: The Children’s Festival adds a fashion show featuring the hottest rock-n-roll fashions; The 16th Annual Upper Manhattan Auto Show includes a display of cars from antiques to 2005 preview models; students and families discover and how to buy them at The National Historic Black College Fair & Expo; and The NYC Health Fair & Expo features free health information and screenings. Music and other entertainment will be courtesy of Kiss-FM, Hot 97, & CD 101.9.

On August 9th, the National Black Sports & Entertainment Hall of Fame Induction Gala will be held, honoring both live and posthumous luminaries in the fields of sports and entertainment. The area of entertainment include Donald Byrd, Iman, Kenny Gamble & Leon Huff; Phyllicia Rashad, Ray Baretto, Bonnie Raft, Marian Anderson, Alvin Alley, Pearl Bailey, Symphony Sid, and Tito Rodriguez. In the area of sports, inductees include John Chaney, Fritz Pollard, Rafer Johnson, Louis Anderson, Zina Garrison, Jack Johnson, Elston Howard, Johnny Sample and Al Maguire. Vignette tribute for various inductees will air on WNBC-4 throughout the summer.

If HARLEM WEEK only accomplished giving people a sense of pride and enjoyment, that alone would be a worthy feat; however, HARLEM WEEK does that while also addressing other community needs. With the support of sponsors and elected officials, HARLEM WEEK has been proactive for advancing education by giving grants to educational organizations, plus scholarships to thousands of students who have worked diligently inside the classroom and outside in the community. The relationship between those parties and HARLEM WEEK has not only garnered higher enrollment, but also provided internships and careers for students. Scholarships and grants are presented at virtually every HARLEM WEEK, Harlem Jazz & Music Festival, and National Black Sports & Entertainment Hall of Fame event.

HARLEM WEEK also hosts events focused on economic development and on the welfare of Senior Citizens. Perhaps this is why mayors, governors, senators, members of congress, foreign leaders, and other inspirational figures, have opted to address HARLEM WEEK audiences over the years.

The HARLEM WEEK’s 31st Anniversary is a great celebration of accomplishment through unity. Those unable to attend can still partake in the festivities by listening to live radio broadcasts on stations throughout the New York City area. HARLEM WEEK invites you to come discover the treasures of a proud community. Discover Harlem — information about the excitement and culture that is HARLEM WEEK, log on to www.HarlemDiscover.com.

HONORING NATHAN ZIPPER ON THE COMPLETION OF HIS INTERNSHIP

Mr. RANGEL. Mr. Speaker, I rise to bring to the attention of my colleagues and the country the contributions Nathan Zipper made while interning in my Washington, DC, office. Nathan, a fellow Middle Tennessean, was a wonderful addition to the office and a great servant to the constituents of Tennessee’s Sixth Congressional District. Nathan soon will begin his junior year at the University of Knoxville, where he is majoring in sports management and a member of Phi Alpha Delta.

During his internship, Nathan was a tremendous help to me and my staff as he assisted us in various projects. He attended briefings, addressed constituent concerns and endeared himself to visitors as he guided them through the U.S. Capitol. I hope Nathan enjoyed his fast-paced internship as much as my staff and I appreciated his hard work and eager attitude. I wish him all the best in the future.

INTRODUCTION OF THE CURES CAN BE FOUND ACT

Mr. PAUL. Mr. Speaker, I rise to introduce the Cures Can Be Found Act. This legislation promotes medical research by providing a tax credit for investments and donations to promote adult and umbilical cord blood stem cell research, and provides a $2,500 tax credit to the manufacturing of umbilical cord blood that can be used to extract stem cells. Mr. Speaker, stem cell research has the potential to revolutionize medicine. Stem cells have also proven useful in treating spinal cord injuries and certain neurological disorders. Adult stem cells have also shown promise in treating a wide variety of diseases ranging from brain, breast, testicular, and other types of cancers to multiple sclerosis, Parkinson’s, heart damage, and rheumatoid arthritis.

By promoting adult and umbilical cord blood stem cell research, the Cures Can Be Found Act will ensure greater resources are devoted to this valuable research. The tax credit for donations of umbilical cord blood will ensure that medical science has a continuous supply of stem cells. Thus, this bill will help scientists discover new cures using stem cells and, hopefully, make routine the use of stem cells to treat formally incurable diseases.

By encouraging private medical research, the Cures Can Be Found Act enhances a tradition of private medical research that is responsible for many medical breakthroughs. For example, Jonas Salk, discoverer of the polio vaccine, did not receive one dollar from the federal government for his efforts. I urge my colleagues to help the American people support the efforts of future Jonas Salks by cosponsoring the Cures Can Be Found Act.
a conference-summit on the challenges and advances in the empowerment of our communities to change the daily lives of Americans. With a broad and exemplary series of panels and discussion sessions, the Urban League will continue its legendary service in support of raising awareness of the limited job opportunities, changing health care costs, increasing economic and social disparities, and disappointing gaps in educational equality. The Urban League will not only highlight and question the challenges and limitations faced by communities across the county, but they will also propose and examine solutions for those communities.

For almost a century now, the Urban League has championed and advanced solutions to the crippling disparities that exist within our communities. They have long been involved with the struggle for equality and opportunity that faces the Black community, in particular, but economically disadvantaged groups nationwide.

In reaction to the Supreme Court’s 1996 decision approving segregation in the United States, Black Americans were quickly relegated to the most menial jobs, the poorest conditions of housing and health care, and the least access to quality education. Individuals, such as Mrs. Ruth Standish Brown and Dr. George Edmund Haynes, were the first to propose and adopt programs to aid the poor. They continue to provide useful information to policymakers designed to address the needs of the disadvantaged.

Since that merging of groups and integration, the National Urban League has been at the forefront of fighting for equal opportunities and treatment of Americans in this country. They have pursued public and private strategies designed to provide training, assistance, and awareness programs about the struggles for equal treatment and opportunity. Working with Whites, Blacks, Hispanics, and Asians, the National Urban League has been a champion of the economic welfare of the disadvantaged.

Today, the League continues that legacy of leadership in economic justice. They continue to provide useful information to policymakers in their evaluation and development of programs to aid the poor. They continue to inform the community of mechanisms to overcome the challenges that lay before them. They continue to be an advocate for the poor, an instructor in the struggle for the discarded, and a champion of justice and equality for the Nation, and they do all of this at the local community level through its chapters in communities around the Nation.

This week, led by its president, Marc Morial, who is providing superb leadership to the Urban League in the tradition of the great Whitney Young, the League continues its legacy and consciousness-building. I hope my colleagues will be reminded of the importance of this group to our economic development. As they conference in the Nation’s Capital, I hope we would provide them a voice for and an ear to their causes.

Mr. Speaker, I submit the following article written by Zenitha Prince of the Afro-American concerning this week’s meeting. I welcome the attendees and conference of this year’s conference to their Nation’s Capital, Washington, D.C.

**URBAN LEAGUE CELEBRATES 95 YEARS**

**JULY 23, 2005**—About 15,000 people are expected to join the National Urban League in “Celebrating 95 Years of Empowering Communities and Changing Lives” during its annual conference, which will convene at the Washingon Convention Center in Washington, D.C., from July 27 to 31.

“As we celebrate 95 years of direct service to communities across the nation, we expect the annual conference in Washington, D.C., to be the largest gathering of the Urban League Movement,” said Marc H. Morial, National Urban League president and CEO, in a prepared statement.

The annual conference will feature innovative and interactive plenary sessions and events that present some of the Nation’s most illustrious and influential leaders. It also gives us a chance to discuss and find ways to help one another in closing the tremendous gaps that exist in health, education, and economics. The annual conference helps bring people together around issues of concern to our community and the Nation.

Among the speakers are U.S. Sen. Hillary Clinton (D-N.Y.); hip hop historian and author Kevin Powell; author, activist and comedian Dick Gregory; and Rainbow Coalition/PUSH founder and president the Rev. Jesse Jackson. The conference will also feature performances by India.Arie, Brian McKnight, Doug E. Fresh and Chuck Brown.

Most notably, however, the 2005 conference will feature a new Influencer Summit geared towards engaging, connecting and building young professionals. The list of speakers includes (The Apprentice) star Kwame Jackson, who plans to discuss how he parlayed his reality television experience into opportunities that include a new company, Legacy Holdings, which is even now brokering a $3.8 billion deal to build a real estate development called Rosewood, just miles outside of the District of Columbia, and a lucrative career on the international speakers’ circuit.

“I wouldn’t be on this phone or have any notoriety if I had stayed on my job [with Wall Street firm Goldman Sachs],” said the 30-year-old D.C. native. Modestly deflecting any praise about his achievements, Jackson advised young entrepreneurs that corporate America is a tough environment for a young Black person, and that success takes tenacity and vision to attain success. “Being an entrepreneur is for people who enjoy getting their teeth kicked,” Jackson said. “You have to be the kind of person that will get up and ask for more.”

The Influencer Summit will also examine the changing civil rights landscape and the young Black person’s role in it.

“I think we’re the up-and-coming leaders. Any civil rights movement from here on out will be carried out by us,” said Larry Mceachern, an accomplished writer and author. “I think of the young people of color in the community looking to the next generation of leaders.”

The Influencer Summit will also feature performances by India.Arie, Brian McKnight, Doug E. Fresh and Chuck Brown.

**HONORING KASSI SCOTT ON THE COMPLETION OF HER INTERNSHIP**

**HON. BART GORDON**

**OF TENNESSEE**

**IN THE HOUSE OF REPRESENTATIVES**

**Tuesday, July 26, 2005**

Mr. GORDON. Mr. Speaker, I rise today to recognize the many contributions Kassi Scott made while interning in my Washington, DC, office. Kassi, a native of Moss, Tennessee, was a wonderful addition to the office and a great servant to the constituents of Tennessee’s Sixth Congressional District.

Kassi soon will begin her junior year at Tennessee Tech University, where she is a political science major and president of the College Democrats.

Kassi has gained a wealth of congressional experience. She interned in my Cookeville, Tennessee, office prior to her internship in Washington. While in our Nation’s capital, she attended briefings, addressed constituent concerns and served as a lively and informative tour guide of the U.S. Capitol.

I hope Kassi enjoyed her internship as much as my staff and I have enjoyed her presence in the office. I wish her all the best in the future.
Mr. BONNER. Mr. Speaker, Baldwin County, Alabama, and indeed the entire First Congressional District recently lost a dear friend, and I rise today to honor him and pay tribute to his memory.

Senator L. Dick Owen, Jr., was a devoted family man and dedicated public servant throughout his entire life. A native of Bay Minette, Alabama, he was a 1941 graduate of the University of Alabama in Tuscaloosa. Governor George Wallace appointed him to the position of Baldwin County Probate Judge in January 1964 following the death of his predecessor, Judge Ramsey Stuart. One year later, he was elected to the Alabama House of Representatives, where he served two terms before running for and winning two terms in the Alabama Senate. His work in the state legislature was met with wide praise, and he was honored by the Alabama Wildlife Federation as “Legislative Conservationist of the Year,” and, in 1976, by the Alabama Press Association as “Most Effective Senator.”

Senator Owen was also actively involved in his community and was a charter member of the Bay Minette Rotary Club. He was also honored in 1982 when the performing arts center of Faulkner State Community College—an institution which he helped locate in Bay Minette—was named the “L.D. Owen Performing Arts Center.” His devotion to his fellow man was unmatched, and I do not think there will ever be a full accounting of the many people he helped over the course of his lifetime.

Senator Owen was also a proud veteran of the United States Army and served with distinction as a member of the famed 82nd Airborne Division during World War II, where he earned six Bronze Stars. During the Korean War, he returned to active duty, and in 1963 retired from the Army Reserve with the rank of lieutenant colonel.

Mr. Speaker, I ask my colleagues to join me in remembering a dedicated public servant and long-time advocate for Baldwin County, Alabama. Senator Owen will be deeply missed by his family—his wife, Annie Ruth Heidelberg Owen; his son, L.D. Owen, III; his brother, James R. Owen; his sister, Nell Owen Davis; his three grandchildren; and his two great-grandchildren—as well as the countless friends he leaves behind. Our thoughts and prayers are with them all at this difficult time.

GAZA: TEST CASE FOR PEACE

HON. BARNEY FRANK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. FRANK of Massachusetts. Mr. Speaker, last week I opposed an amendment to the State Department Authorization Bill that would have put restrictions on the ability of the President to decide on the appropriate flow of aid to the Palestinian Authority, because I believe that a Palestinian Authority both willing and able to confront violent opposition to the peace process with Israel is essential for peace to succeed. Later that day, after our debate, I read—a bit tardily—an excellent article that had been published in the Washington Post, for Wednesday, July 20, by the Israeli Ambassador to the United States, Daniel Ayalon.

Ambassador Ayalon is an extremely able diplomat, who is himself a dedicated supporter of a rational process leading to a genuine two state solution in the Middle East. The article he wrote underscores the importance of a commitment by the Palestinian Authority to continue to curb the activities of those in the Palestinian community who are determined to bring the peace process to a violent halt.

As Ambassador Ayalon notes, Prime Minister Ariel Sharon has confronted those within Israel who are opposed to the peace process in general, and very specifically to the withdrawal of Jewish settlers from Gaza. This is of course, as the Ambassador points out, a cause of great anguish within Israel, and Prime Minister Sharon and his allies ought to be commended for their willingness to confront this opposition. It is entirely reasonable for Israel to ask, as Ambassador Ayalon does, for a comparable level of effort from President Abbas of the Palestinian Authority.

I do not mean by this to equate the opposition faced by President Abbas on the one hand and Prime Minister Sharon on the other. While I disagree strongly with those settlers who are seeking to derail the peace process, they have not in any significant degree responded to the kind of murderous violence that has been directed against peace seekers within the Palestinian community seeking to put an end to peace. I say that they are people seeking to put an end to the peace process, Mr. Speaker, because there is no other explanation for the decision to engage in terrorist murders of Israelis within Gaza while the Israeli Government is in fact in the process of withdrawing from Gaza. Individual Israelis are not the only victims of these murders—the peace process is also an intended victim.

I believe it is important for the United States to provide strong support for all those trying to go forward with the peace process, and I think it is fair for Ambassador Ayalon to point out that the effort so far of President Abbas have fallen short of what Israel has a right to expect.

I will continue to oppose, as I did last week, measures that seem to me to undercut President Abbas’ ability to go forward with this admittedly difficult task. At the same time, I think it is important for those of us who are strong supporters of the peace process to join in reminding President Abbas of the importance of his being more successful as he has in the past in this regard.

Mr. Speaker, I ask that Daniel Ayalon’s article be printed here.

(From the Washington Post, July 20, 2005)

GAZA, A TEST CASE FOR PEACE

By Daniel Ayalon

Next month thousands of Israelis will be uprooted from the Jewish settlements against the backdrop of widespread political opposition and intensifying Palestinian terrorism. Israel faces difficult days ahead.

Prime Minister Ariel Sharon is boldly determined to move forward with disengagement from Gaza and the northern West Bank out of a deep conviction that it is critical to Israel’s future. Unfortunately, the Palestinian leadership has failed to meet him halfway. The Palestinian Authority’s refusal to disarm violent organizations has enabled the terrorists to regroup and renew deadly attacks against Israelis, compounding the difficulties of this engagement and casting an ominous shadow on the possibility of future progress.

The sharp increase in Palestinian terrorist attacks, particularly in the past week, underscores the precariousness of the situation. While Israel is committed to completing the disengagement as planned, we will not sit idly by while our civilians are under attack. Time is running out for the Palestinian leadership to confront the terrorists. Should it fail to do so, Israel will be forced to take the necessary steps to defend itself.

The Palestinian Authority has failed another historic opportunity, the world should insist that they crack down on terrorism now. After numerous failed attempts by Israelis and Palestinians to reach peaceful accommodation over the past 15 years, Sharon decided to embark on a different course. Disengagement is an immense step in the peace process and indeed historical undertaking, aimed at reducing friction between Israelis and Palestinians, jump-starting the peace process and providing the Palestinian Authority with a unique opportunity to build institutions of responsible self-governance.

At the same time, it puts a terrible burden on thousands of Israelis called on to leave their homes against their will. Many have lived there for more than three generations. Specially trained, unarmed units will move from house to house as part of a massive logistical operation involving some 50,000 security personnel, accompanied by teams of social workers and psychologists. Living in breathing communities, some more than 30 years old, will simply vanish. Businesses, factories and farms will be shut down. Schools, synagogues and cemeteries will be relocated. The removal of graves, including those of terrorist victims, will be especially heart-wrenching.

The trauma of disengagement has unleashed dangerous rifts in Israeli society. While the withdrawal is supported by most of the public, many Israelis deeply oppose it on moral, religious and security grounds. Sharon has demonstrated steadfast leadership in the face of an unprecedented political backlash from his traditional supporters.

Given the inherent risks and growing civil disobedience, the prospect of violent resistance cannot be ruled out. Regardless of the outcome, the repercussions of disengagement will be felt in Israel for years. At stake is not only the success of disengagement but also the very fabric of Israeli society.

Adding fuel to the fire, public anxiety in Israel has increased because of the resurgence of Palestinian terrorism, including suicide bombings, drive-by and rocket attacks. Rather than confront the terrorist organizations and disarm them, Palestinian President Mahmoud Abbas has invited Hamas into his government, thereby providing a terrorist organization with an official seal of approval. The result has been an emboldened Hamas, a further weakening of the Palestinian Authority and a potentially disastrous perception that disengagement is a victory for terrorism rather than an opportunity for peace.

Abbas must seize the moment and lead the Palestinians toward peace. The terrorist organizations must be disarmed as called for in the “road map” if Palestinian statehood is to be achieved.

Disengagement from Gaza is both the opportunity and the test for the Palestinian leadership. Will that leadership
prove itself capable of governing a functioning democratic society, free from terrorism and focused on improving the lives of its citizens, or will it squander yet another opportunity? After winning Gaza, Israel will no longer provide an easy excuse for Palestinian failure.

The world-recognized, principled and bipartisan support for Israel in the United States has been vital to our ability to overcome terrorism and prepare the ground for a political initiative that might bring peace. The notion of disengagement would have been unthinkable had Israel not prevailed in the latest round of sustained terrorism waged by the Palestinians since September 2000.

The stakes for Israel are enormous. We are a strong but small country facing a largely hostile region roughly 500 times our size. We can ill afford to make mistakes. Iran's nuclear weapons program is imminent, posing an existential threat. Syria and Iran promote and support Palestinian terrorist groups sworn to our destruction. Hezbollah has intensified terrorist attacks against Israel from Lebanon, opening a second front aimed at derailing any progress. Despite these challenges, Israel has shown it is prepared to take difficult steps to achieve President Bush's vision for peace in the Middle East. We should insist on no less from the Palestinians.

The writer is Israel's ambassador to the United States.

TRIBUTE TO PAUL EDWARD HUGHES
HON. ANNA G. ESCHOO
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. ESCHOO. Mr. Speaker, I rise today to honor the life of Paul Edward "Ed" Hughes who died Sunday, July 17, 2005, at his home in Sunset Beach, North Carolina.

Mr. Hughes, who retired to Sunset Beach in 1992, was serving his third term on the Sunset Beach City Council. He was born in Pennsboro, West Virginia in 1926 to John and Mary Hughes, and grew up in Baltimore, Maryland. Ed served in the Army Air Corps during World War II and later graduated from Loyola College, where he was named an All-American in lacrosse, playing on the All-South team in 1948 and 1949. He later received his master's degree from the University of Pennsylvania.

Ed Hughes moved to Wilmington, Delaware in 1958, where he taught at Tower Hill School for 34 years, chaired the History Department and served as Dean. Over the course of his tenure he introduced anthropology to the school curriculum and headed the summer school. He wrote a book about the founding of the Junior Humanities program for gifted inner-city students, a model project for which he received the Hollingworth Award. He was a head basketball coach for 14 years, coached football, and started the golf team.

Ed Hughes was a candidate for President of the City Council in Wilmington, Delaware and chaired the Republican City Committee. He was a frequent lecturer on current events and world affairs at Crosslands in Kennett Square, Pennsylvania and was a longtime manager of the Hagley Museum on the Brandywine River. He was a devoted husband, a proud father of five, a golfer, and in later life, a painter. He loved crossword puzzles, his golfing buddies and a good steak.

Ed Hughes is survived by his wife of 54 years, Jody Hughes, his daughters Mary and K.C. Halpem, his sons Paul, John and Mark, as well as seven grandchildren.

Mr. Speaker, I had the pleasure of knowing Ed Hughes. He was a gentle man with a superb intellect and a wonderful wit. He was a man who was familiar with his life and achievements, most of all his magnificent children and theirs. Ed Hughes loved his family, his community and his country. I ask my colleagues to join me in honoring the life and works of this good man and in extending to his wife and entire family our most sincere sympathy.

USA PATRIOT AND TERRORISM PREVENTION REAUTHORIZATION ACT OF 2005

SPEECH OF
HON. BRIAN HIGGINS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 2005

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3199) to extend and modify authorities needed to combat terrorism, and for other purposes:

Mr. HIGGINS. Mr. Chairman, in the wake of the terrorist attacks of September 11, 2001, the United States Congress passed the USA PATRIOT Act with broad bipartisan support to better equip law enforcement and intelligence agencies in their struggle to combat terrorism. As the shock of those horrible events subsided, many from both political parties began to question some of the more invasive aspects of the Patriot Act, including a number of provisions that allow Federal investigators to enter homes, tap phone lines, and search library records without a warrant.

Since then, the Patriot Act has become a much-debated issue, symbolizing a Federal Government abusing its power and violating civil liberties for a necessary battle against the barbarity of terrorists for others. And yet, all agree that the United States faces a daunting challenge in combating terrorism, both abroad and at home, through continuing efforts to safeguard borders, protect airports, and monitor centers of trade and commerce. In order to overcome these challenges, we must remain vigilant in our fight against terrorism and continue to strengthen our resolve even in the face of deserve and desperate acts such as the bombings that terrorized London this past week and a few short weeks ago.

The events in London provide a somber and revealing backdrop for the current debate regarding the renewal of a number of provisions contained in the USA PATRIOT Act. Many of my colleagues have voiced well-reasoned and thoughtful objections to the current bill, the USA Patriot and Terrorism Prevention Reauthorization Act of 2005, H.R. 3199, which would make permanent 14 of the 16 provisions of the Patriot Act on the civil rights of Americans. I strongly believe that we must not end this legislation but amend it. "Mend, don't end" should have been the guiding theme in redrafting and analyzing the Patriot Act.

We cannot let our partisan differences obscure our common fight against terrorism. We cannot let our very real concerns about the violation of civil liberties overwhelm our oath to protect the citizens of the United States from further terrorist activity. While I would have preferred a "mend don't end" strategy to reshaping the Patriot Act, the leadership chose a different tactic and brought the bill to the floor with the most disconcerting provisions included. In light of recent events, and our continued war on terrorism, I chose to stand on the side of law enforcement and the intelligence community and protect our country by voting for the Patriot Act reauthorization.

PERSONAL EXPLANATION

HON. JOHN LINDER
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. LINDER. Mr. Speaker, I was unable to cast roll call votes 415 and 416 on July 22, 2005, because I was unavoidably detained on official business with President George W. Bush in Atlanta, Georgia, at a roundtable discussion on retirement security for future generations of Americans. I was also unable to cast roll call votes 417, 418, and 419 on July 25, 2005, as I was traveling on official legislative/policy business. Had I been present I would have cast the following votes: On roll call No. 415, I would have voted "no" on roll call No. 416, I would have voted "yes"; on roll call No. 417, I would have voted "yes"; on roll call No. 418, I would have voted "yes"; and on roll call No. 419, I would have voted "yes."
Mr. Speaker, again, I applaud the work of Secretary Nicholson and other VA officials before the VA Committee and justified the Administration’s budget request. Subsequently, we learned that all the hard work and tough choices Congress has made to increase VA health care funding—by no less than 42 percent in just the last four years—has now been overshadowed by a “discovery” of inadequate funding. Since then, the VA Committee has held three separate hearings over the past month and a half to understand and examine VA’s methodologies for forecasting health care costs and utilization projections, to identify the breakdown in the budget process, and to bring to light the serious flaws in VA’s usage assumptions.

Equally important, the conference report demands new levels of accountability inside VA. In fact, the VA Committee is seeking to institutionalize accountability in the budget process at VA to ensure that similar circumstances can be averted in the future. There is but one constant we can all agree upon: the VA must ensure a continuity of care for our severely disabled veterans.

While $1.5 billion seems to be the right figure at this point in time, there are only two months left in the fiscal year. This means that the Department of Veterans Affairs has the ability to roll over into fiscal year 2006 whatever sums remain unspent in fiscal year 2005; I expect department officials to spend wisely. With this particular provision, we are not only seeking to meet the urgent needs for the remainder of this year, but are providing a significant down payment on the shortfall we anticipate in fiscal year 2006.

Mr. Speaker, again, I applaud the work of Chairman Lewis and Chairman Taylor of the Appropriations Committee, as well as the leadership of the House and Senate Veterans’ Affairs Committees.

INTRODUCTION OF THE TEACHER TRAINING EXPANSION ACT OF 2005

HON. ELIJAH E. CUMMINGS OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Mr. CUMMINGS. Mr. Speaker, currently, too many of our nation’s “special needs” children are underserved due to inadequate training of general education teachers. It was recently reported that approximately 80 percent of students with learning disabilities receive the majority of their instruction in general education classrooms. According to the U.S. Department of Education, 50 percent of disabled students between the ages of 6 and 11, and 30 percent of disabled students between the ages of 11 and 12, are taught in regular classrooms.

These figures reflect the mandate under the Individuals with Disabilities Education Act (IDEA) that requires, to the maximum extent appropriate, children with disabilities . . . are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with disabilities from the regular environment occurs only when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily. (IDEA 612[d][8][A]).

As more children with disabilities enter general education classrooms, it is critical that general education teachers and personnel are adequately trained to adapt curricula to suit their needs. Regular education teachers and personnel must be equipped to collaborate with special education teachers to ensure that the best individualized approaches are utilized for the successful integration of disabled students into the classroom.

For these reasons, I am reintroducing the Teacher Training Expansion Act of 2005, legislation that would address this crucial area of teacher development. Specifically, this legislation would authorize the Secretary of Education to give preference, in the distribution of certain grants under IDEA, to local educational agencies and certain public or private nonprofit organizations that provide training to regular education personnel to meet the needs of children with disabilities. Under current law, institutions of higher education are already granted such a preferential status in the distribution of these grants. However, I firmly believe local educational agencies and public or private nonprofit organizations that are at the forefront of training teachers who work with disabled students, must be eligible to receive equal consideration in providing this vital type of professional development and training.

Mr. Speaker, by supporting this legislation we will help our teachers gain the skills they need to work effectively with disabled students in general education classrooms and help make good on our promise to provide a quality education to all students.

Lastly, as we celebrate the 15th Anniversary of the Americans with Disabilities Act today, let us be ever mindful to continue to level the playing field for our disabled and special needs communities in any way that we can. This bill would help in furthering this goal and I urge my colleagues to cosponsor the Teacher Training Expansion Act of 2005.

FIFTEENTH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. JAMES P. Moran OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Mr. MORAN of Virginia. Mr. Speaker, today marks the fifteenth anniversary of the Americans with Disabilities Act (ADA). Signed into law by George H.W. Bush on July 26th in 1990, and enacted with bipartisan support in the Congress, the ADA served as the world’s first comprehensive declaration of equality for people with disabilities.

Following in the footsteps of civil rights legislation from the 1960s, this landmark legislation has sought to end discrimination against people with disabilities in the workplace and encourage full integration into American society, particularly through enabling independent living.

In its fifteen years of existence, the ADA has accomplished much. Access ramps, curb cuts, Braille signs, and assistive listening devices at movie theaters now appear in communities around the country. Transit and communications systems have become more accessible to people with disabilities.

Yet despite this progress, I remain deeply concerned that the promise of the ADA has not been fulfilled for many of America’s 54 million people with disabilities. For example, empirical evidence demonstrates that there has been little change in the employment rate of people with disabilities. Only 32 percent of
working-age people with a disability are employed. Today, people with disabilities are three times more likely than those without disabilities to live in poverty. There is much progress still to be made.

Unfortunately, in recent years the federal courts have narrowly interpreted the ADA and have weakened the provisions of the Act, especially in regards to the workplace and the applicability of ADA to state law. Moreover, the Administration has proposed funding cuts to key programs—Section 8 housing, Medicaid, and vocational rehabilitation and assistive technology—which enable many people with disabilities to achieve self-sufficiency and live independently.

On this anniversary of the American with Disabilities Act, we must make sure that we fulfill the promise made to our disabled brothers and sisters fifteen years ago. Indeed, the goals of the ADA could not be more pertinent than they are today, when thousands of soldiers are returning home from Iraq and Afghanistan with severe injuries. It is my hope that we can move forward today to fully realize the goals of equality and integration set forth in the Americans with Disabilities Act.

Mr. Speaker and Colleagues, please join me in honor and tribute of Reverend Vasilije Budimir Sokolovic, whose ministry and leadership continues to provide faith and support to countless individuals and families of the St. Sava Serbian Orthodox Church, and serves as an instrument of spiritual connection to the life and works of his father, Priest martyr Saint Budimir Sokolovic of Dobrun. With courage and steadfast conviction in his faith, Saint Budimir Sokolovic paid the ultimate sacrifice in his quest for religious freedom.

Reverend Vasilije Sokolovic continues to carry the faith and legacy of his father—a blazing legacy of freedom from tyranny, a burning reminder of the fragility of democracy, and a light of hope and inspiration for people around the world searching for the light of liberty.
Section 1 provides a short title, has findings about the bill's background, and states its purpose, which is to provide certainty to affected private landowners, State and local governments, and the public by establishing a deadline for filing of claims for highway rights-of-way under R.S. 2477 and providing a process for consideration and resolution of such claims.

Section 2 defines key terms used in the bill.

Section 3 deals with the filing of notices of claims for rights-of-way based on R.S. 2477. Subsection (a) sets a deadline of 6 years after enactment for filing notices of claims. Subsection (b) specifies the information to be included in the notices. Subsection (c) deals with the places for filing notices of claims and other aspects of filing. Subsection (d) requires publication and other steps to inform the public.

Section 4 addresses evidence to support claims. Subsection (a) sets a deadline of 6 years after filing a notice of a claim to submit evidence in support of the claim. Subsection (b) requires submission of the following: 1) Name, address, and contact information of the claimant; 2) names and contact information of all persons or entities with property interests in lands affected by a claim; 3) description of the highway on which the claim is based; 4) evidence that when the lands acquired that status the prior construction and continuing use of the lands for highway purposes would continue; 5) evidence that the claimed route constitutes a highway; 6) identification of the entity that would have a property interest in the right-of-way for which a claim is being made; 7) a description of the highway on which the claim is based; 8) evidence that the claimant has both met the burden of proof specified in Section 3 addressing evidence to support claims involving certain lands; and 9) evidence that the claimed right-of-way traversed public land not reserved for other use at the time of construction of the highway.

Subsection (c) requires additional evidence to support claims involving certain lands: 1) evidence that a claim involving conservation lands, tributary lands or lands for conservation of defense purposes was so open and notorious on and after the date on which the lands acquired that status the prior construction and continuing use of the lands for highway purposes would continue. Subsection (d) provides that if no portion of a claim involves former Federal lands, conservation lands, defense lands, or tribal lands, the authorized officer is to determine the presumption of validity if the claimant has met the burden of proof specified in subsection (b).

Subsection (e) provides that if the authorized officer determines a claim is presumptively valid, the officer will determine whether a claim should be considered presumptively valid. Subsection (f) provides that in all cases a claim shall have the burden of proof by clear and convincing evidence that when the lands acquired that status the prior construction and continuing use of the lands for highway purposes were so open and notorious that it was intended that use of the lands for highway purposes would continue. Subsection (g) provides that if the authorized officer is unable to determine whether a claim should be presumptively valid, the officer will determine it invalid and that any rights purported to have been acquired under R.S. 2477 were subject to the claimant's rights.

Subsection (h) requires the authorized officer to conduct consultations with many interested persons and groups. Recognizing the potential threats to private rights-of-way under R.S. 2477 and providing a process for consideration and resolution of such claims. The bill follows the sound example of FLPA by providing that any R.S. 2477 claim for which a notice is not filed with the government within 4 years will be considered to have been relinquished and void. I think this is more than reasonable, because people interested in claiming rights-of-way under R.S. 2477 have ample time to decide whether they want to file a claim.

The bill also spells out what information a claimant is to provide, how claims are to be considered administratively, and the rules for judicial review of administrative decisions about claims. Since last year, my staff and I have discussed this subject with many people, representing a wide range of views. In particular, we worked with Commissioners, staff members from many of Colorado's counties. The results of those discussions are reflected throughout the bill, which differs from the previous version in many respects.
establishes a statute of limitation for initiation of such review.

Section 6

Section 6 includes a variety of administrative provisions:

Subsection (a) prohibits charging a fee for filing of a claim by a State, County, or local government.

Subsection (b) sets priorities for reviewing and processing claims: 1) claims filed by a State, County, or local government; 2) claims filed by non-governmental parties and involving private or other non-federal lands, conservation lands, defense lands, or tribal lands; and 3) other claims.

Subsection (c) requires that to the extent practicable, review of claims will be completed within a year after submission of evidence and requires periodic status reports on claims under review.

Subsection (d) provides—1) authorized officers reviewing claims are to seek and consider the views of affected States, counties, local governments, tribes, Federal agencies, and the public; 2) authorized officers reviewing claims are responsible for coordinating with appropriate Federal agencies; 3) authorizing officers reviewing claims involving lands owned by the United States will seek the views of the local consultant with respect to claims involving conservation, defense, or tribal lands; or the owner of record (with respect to claims involving other lands) of exclusive possession or control of lands affected by claims held upon judicial review to be valid. The subsection specifies the United States or the owner of record shall seek to reach agreement with the claimant before exercising the authority to retain possession or control.

Subsection (e) requires filing of surveys of R.S. 2477 highway rights-of-way determined to be within the boundary of lands affected by claims held upon judicial review to be valid. The subsection specifies the United States or the owner of record shall seek to reach agreement with the claimant before exercising the authority to retain possession or control.

Subsection (f) includes a variety of administrative determinations.

Subsection (g) provides for consultation with relevant Federal agencies or tribes and requires concurrence of relevant Federal agencies before a determination of presump-tive validity.

Section 7

Section 7 addresses the relationship between the bill and other law and prior determinations.

Subsection (a) provides that authorized officers are to apply Federal law and relevant State law to the extent that State law is consistent with Federal law.

Subsection (b) specifies that nothing in the bill will affect, change, alter, or modify Title V of PLPMA or Title IX of the Alaska National Interest Lands Conservation Act.

Subsection (c) provides—1) except as provided in this subsection, nothing in the bill applies to or affects the status of any judicial or administrative determinations made prior to its enactment regarding any claim or assertion based on R.S. 2477; 2) any final determination regarding an R.S. 2477 claim or assertion made sooner than 4 years after the enactment of the bill must be filed with relevant offices of the Bureau of Land Management or on appropriate land records; 3) failure to file or record in accordance with paragraph (2) shall be deemed a relinquishment of any rights purported to have been acquired under R.S. 2477; and 4) if the filing or record is subject to judicial review; but 5) any such judicial review must be initiated no later than 7 years after the date of enactment of the bill.

Section 8

Section 8 specifies that no Federal officer, agency, or court shall take any action to affirm the validity of any assertion of a property interest in a right-of-way under R.S. 2477 except with regard to a claim filed under the bill.

Section 9

Section 9 authorizes appropriations to implement the bill.

IN HONOR OF ROBERT HAWK
HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of Robert Hawk—Vietnam War Veteran, public servant and protector of the citizens of Cleveland and beyond. Mr. Hawk’s dedication and integrity throughout his career as a Special Agent with the Federal Government reflects a continuum of law enforcement excellence.

Mr. Hawk grew up in Western Pennsylvania and graduated with a Bachelor of Arts Degree from Geneva College in Beaver Falls, PA. After graduation, Mr. Hawk served in the infantry with the U.S. Army’s Cavalry Division in the capacity of Team Leader in charge of a Reconnaissance Team.

In 1978, following his exemplary service to our country, Mr. Hawk began his service with the FBI as a Special Agent. His assignments included working out of the FBI’s Cleveland and Detroit offices. For the next decade, Mr. Hawk garnered extensive experience on high-level assignments, including working in undercover capacities on narcotics and white-collar crime cases. Since 1989, Mr. Hawk has continued to serve with diligence and integrity as the Media Coordinator in the Cleveland FBI Office. Mr. Hawk is a Firearms Instructor, Defensive Tactics Instructor, and assists the Cleveland Organized Crime Squad on numerous cases. Mr. Speaker and Colleagues, please join me in honor, gratitude and recognition of Mr. Hawk, an American hero and a leader within the FBI organization.

Mr. Hawk’s significant work continues to strengthen the vital bonds between law enforcement and the community, and also serves to strengthen the fabric of safety for every citizen of Cleveland and well beyond.

INTRODUCTION OF OAK PARK MEDICAL CENTER PROPERTY ACQUISITION
HON. MARK UDALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. UDALL of Colorado. Mr. Speaker, I am introducing a bill today that will resolve a conflict between the Department of Commerce and a property owner along the perimeter of the Department of Commerce campus in Boulder, Colorado.

In 2004, the Department of Commerce determined that a security fence needed to be constructed around the Boulder campus that houses labs for both the National Institute for Standards and Technology, NIST, and the National Oceanic and Atmospheric Administration, NOAA. In preparation for the fence the current access road would need to be rerouted. This road is also the only access to the Oak Park Medical Center, that abuts the Department of Commerce property. NIST granted an easement to the medical center to allow access to the facility through the Boulder Campus. Current plans to open a new entrance to the campus will result in the closing of access to the medical center.

Significant discussions have occurred between the Oak Park Medical Center property owner and the Department of Commerce, principally through NIST. However, no compromise has been reached to provide alternative access to the medical center. The Department of Commerce contacted the Oak Park Medical Center property owner identifying an alternative access road which is unacceptable to both the owner and the tenants residing beyond. The property owner has expressed interest in selling the property to the Department of Commerce.

Unlike most government property, the Boulder Campus was purchased by the Department of Commerce, rather than the U.S. General Services Administration. As a result, my bill authorizes the Department of Commerce to purchase the land.

I have contacted the Department of Commerce urging the agency to administratively purchase the property, however feel this legislation is helpful if an administrative solution is not worked out. I believe this is an equitable compromise, as the property owner is willing to sell the land, and NIST would have access to utilize the building. At the same time, plans for construction of the security fence will not need to be altered to provide access to the medical center.

I have included a letter from the property owner expressing his support for this bill as well as the purchase of his property by the Department of Commerce. I consider this a friendly condemnation and urge a speedy passage of the bill by the House of Representa-tives.

BOULDER, CO, July 19, 2005.

Dear Congresswoman Udall and Mr. Young:

I am in support of the legislation that would authorize and direct the federal government to purchase my property at 385 South Broadway, Boulder, Colorado, referred to in the proposed Bill as the “Oak Park Medical Center.”

Please understand that my preference would be to retain ownership for NIST to honor its existing easement granting access to the property, however feel this legislation is helpful if an administrative solution is not worked out. I believe this is an equitable compromise, as the property owner is willing to sell the land, and NIST would have access to utilize the building. At the same time, plans for construction of the security fence will not need to be altered to provide access to the medical center.

Sincerely,

BRUCE TENENBAUM.
Mr. GUTIERREZ. Mr. Speaker, I am pleased to introduce legislation today that continues the long fight to maintain state consumer protections for customers of national banks. In January 2004, the Office of the Comptroller of the Currency (OCC), the primary regulator of national banks, introduced regulations to preempt the application of state laws and the authority of state officials over their regulated entities. Since that time, other banking regulators have joined this race to the bottom. My legislation will provide much-needed clarification in this area.

Last year, USA Today, the nation’s newspaper, condemned the OCC’s preemption rules in an editorial, claiming that they threaten “strong consumer protection laws that have been the responsibility of states for more than a century.” The newspaper said the OCC rules will make “millions of consumers vulnerable” to illegal loan practices. The OCC’s Chief Counsel irreverently characterized these concerns as “revisionist history.”

Over the last year, we have worked together as a broad bipartisan coalition who sees state consumer protection as a bread and butter issue, rather than “baloney.” This legislation is merely the latest step to ensure that our states have the power to protect consumers.

And to stop the OCC from eroding strong safeguards that have been used by the states for more than a century to enforce consumer protection laws.

The preemption rules were a misguided, unprecedented, unchecked expansion of its authority, especially since the states, rather than the OCC, currently have the tools and resources to effectively enforce consumer protection and other important laws. This agency has represented that this is far more concerned with curry favor among the banks it regulates instead of fulfilling its regulatory responsibilities under the law.

Last year, I passed an amendment to the Financial Services Committees Budget Views expressing concern regarding the budgetary effects of the OCC’s preemption rules. The budget views put the Financial Services Committee on record that the OCC’s preemption rules represent an unprecedented expansion of authority, one that was instituted without Congressional authorization. Subsequently, I introduced legislation to reverse the preemption rules, and then, toward the end of last Congress, Mr. FRANK and I introduced a version of what we are again introducing today.

Our bill ensures that national banks will be bound by state consumer protection laws, including predatory mortgage lending statutes. It also prohibits banks from benefiting from part of a state law while refusing to comply with a consumer-friendly portion of the same law. For example, a bank in Ohio is currently using the state law mechanism for foreseeing properties, but failing to abide by another provision in the statute, which limits fees for consumers. This legislation also allows state attorneys general to enforce laws and bring suit against banks when appropriate. As a former City Council member, I believe that the accountability of local officials is crucial. Few consumers can sort through the alphabet soup of regulators and figure out whom to contact if they have a problem with their bank. But almost every consumer knows that their attorney general is there to protect them, so we must ensure that they retain authority over banks.

I am pleased to have been joined on this legislation by Representatives FRANK, LEE and MCCARTHY as cosponsors and urge all of my colleagues to support this effort.

15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT: MUCH ACCOMPLISHED, BUT MORE PROGRESS NEEDED

Ms. SCHAKOWSKY. Mr. Speaker, today I rise to celebrate the 15th anniversary of the Americans with Disabilities Act. When the ADA was signed into law in 1990, it promised “equality of opportunity, economic self-sufficiency, inclusion and independence” for people with disabilities. This landmark legislation—one of the most important civil rights bills of our generation—is designed to allow the disabled to be full and productive members of our society. The goal of the ADA is that no one should be isolated or denied the opportunity that is the American dream.

The motivating idea behind the ADA is the recognition that persons with disabilities deserve to enjoy true equality and independence, to be part of our Nation not isolated within it. The ADA says it is wrong that individuals cannot join their friends at a movie theater or restaurant or sports stadium simply because they are in a wheelchair. It is wrong that disabled individuals are not hired because employers perceive them as an accommodation. It is wrong that, because individuals must deal with a disability, they must also deal with the lack of accessibility to public buildings, transportation and services. That kind of discrimination goes against the fundamental principles of our Nation. It is those types of obstacles that the ADA has sought to eradicate. By integrating people with disabilities into the workforce and community, we have all benefited.

While there were many individuals who were instrumental in winning the passage of the ADA, I want to acknowledge and thank two leaders in the disability rights movement: Justin Dart and Marca Bristo. Justin Dart was an inspiration for all of us who care not just about disability rights but about human rights. Marca Bristo is a nationally acclaimed leader in the disability rights movement. She continues to lead the effort to expand opportunities and respect for persons with disabilities. I have had the personal privilege of knowing and learning from them and, like so many others, have been profoundly influenced by them.

Justin Dart was born in Chicago in 1930, contracted polo in 1946 and spent the rest of his life in a wheelchair. Although he died in 2002, his legacy lives on both through the thousands of advocates he has inspired and through the work of Yoshiko Dart and the rest of his family. He was known for his grassroots activism, touring the Nation, rallying people to support disability rights. In 1981, Mr. Dart was appointed by President Reagan to be the vice-chair of the National Council on Disability. He was one of the architects of the national policy that called for national civil rights legislation to end the centuries-old discrimination against people with disabilities—what would eventually become the Americans with Disabilities Act of 1990. In 1988, he was appointed by President George Bush to run the Rights and Empowerment of Americans with Disabilities. Mr. Dart toured the Nation, touting the ADA as “the civil rights act of the future.” In 1990, Justin Dart received the first pen used by former President Bush at the signing ceremony for the Americans with Disabilities Act. For the remainder of his life, Justin Dart continued to work passionately to see that disabled persons were given the rights they deserve and to win “Justice for All.”

Marca Bristo is a nationally and internationally acclaimed leader in the disability rights movement. In 1977, Marca lost her leg as a result of a spinal injury in a car accident. Her new condition forced her to see life in a new way, and she has since been a passionate and tenacious advocate for disability rights. In 1980, she founded Access Living in Chicago, one of the nation’s first centers for independent living. Ms. Bristo served as the Presidentially-appointed chairwoman of the National Council on Disability from 1994 to 2002 and while heavily involved in the drafting of the ADA, has not pointed chairwoman with a pivotal role in its development. As chairwoman of the NCD, she released a report on the ADA 5 years ago which focused specifically on implementation problems and has persistently argued that rights must be enforced in order to be real. Marca Bristo continues to work hard for disability rights and to improve the lives of people in Chicago and around the Nation.

Our Nation has come a long way in the 15 years since passage of the Americans with Disabilities Act. We have changed, we have been challenged, we have made progress and we have not achieved our goal. The ADA has done much to break down barriers for the disabled, but we must recognize that we have far more to do to end discrimination. For 15 years now, it has been illegal for employers to discriminate against job applicants because of their disabilities. Yet, 2 of every 3 disabled persons are unemployed. It is illegal for state and local governments to deny disabled persons access to public services such as mass transit. Yet, funding constraints still leave persons with disabilities without accessible and convenient transportation options. Public and commercial buildings must be constructed and, where possible, modified to accommodate disabled persons. Yet, homes are still being built that lock people out instead of being built to be accessible and inconclusive. That is why I have introduced H.R. 1441, the Inclusive Home Design Act. Finally, too many people are still locked out of their communities because of the lack of home- and community-based services. We need to build upon the initial success of the ADA to solve these problems. Yet, today we are defending against Social Security privatization schemes that remove disability benefits for 8 million people with disabilities and against Medicaid cuts that would jeopardize health and long-term care services.
The Americans with Disabilities Act has changed our society in these past 15 years. However, as with most civil rights issues, there is still so much more progress to be made. We must remember the vision of Justin Dart and advocate the message of Marcia Bristo. While we take time to celebrate today’s anniversary, we must never be content until the promise of the Americans with Disabilities Act becomes reality so that every person is guaranteed “equality of opportunity, economic self-sufficiency, inclusion and independence.”

A TRIBUTE TO DR. EDMOND F. RITTER

HON. EDOPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. TOWNS. Mr. Speaker, I rise today in recognition of a distinguished academic surgeon, Edmond F. Ritter. It is an honor to represent Dr. Ritter in the House of Representatives and to pay tribute to this outstanding leader in American Medicine.

Dr. Ritter received his Medical degree from Washington University in St. Louis, where he completed General Surgical Training. Dr. Ritter then underwent Plastic and Reconstructive Surgical Training at the University of California San Francisco. After completing his training, he was appointed to the faculty at Duke University Medical Center. He was later named, “The Duke Distinguished Physician,” in recognition of his contributions to the institution and patient care.

Dr. Ritter is an influential member of the medical community. As a gifted surgeon with special expertise in reconstructive microsurgery, he is able to provide skilled, state-of-the-art care to patients with difficult problems. In particular, his results for patients with cancers of the head, breast, and neck are unsurpassed.

Dr. Ritter has had an integral role in the training and mentorship of over 30 young plastic and reconstructive surgeons. Many of these aspiring surgeons have assumed academic positions and have become leaders in their communities.

Currently, Dr. Ritter is an Associate Professor at the Medical College of Georgia. In addition to making multiple contributions to the surgical literature, he is leading an investigation of Tumor and Adult Stem cell interactions in order to advance our understanding of tumor biology.

As a result, Mr. Speaker, I believe that it is incumbent upon this body to recognize the accomplishments of Dr. Edmond Ritter for sharing his talents and services to improve the medical, physical, and emotional well-being of those in need.

A TRIBUTE TO REAR ADMIRAL ANTHONY W. LENGERICH
OF UNITED STATES NAVY
HON. JERRY LEWIS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. LEWIS of California. Mr. Speaker, I rise today to honor Rear Admiral Anthony W. Lengerich, United States Navy, who is retiring after more than 34 years of faithful service to our Nation. A native of Redlands, California, Rear Admiral Lengerich received his commission in 1971 through a Naval Reserve Officer Training Corps scholarship at the University of Colorado, and has since served with great distinction both as a Surface Warfare Officer and an Engineering Duty Officer.

Rear Admiral Lengerich’s impressive career has included sea duty aboard USS GURKE (DD 783) and USS BADGER (FF 1071), and on the afloat staffs of Commander U.S. Seventh Fleet, Commander Destroyer Squadron Thirteen, Commander Carrier Group Two and Commander Cruiser Destroyer Group Twelve. During these tours, he qualified as a Surface Warfare Officer and was designated as “Qualified for Command at Sea.” He also served as Communications Operations Officer for the eastern Atlantic and Mediterranean on the staff of the Commander in Chief, U.S. Naval Forces Europe in London.

Following his selection as an Engineering Duty Officer in 1984, Rear Admiral Lengerich served as the Platform Integration Officer for the Joint Tactical Information Distribution System on the staff of the Electronic Systems Engineering Command, Washington, DC. His next assignment included duties as Project Officer for the Command and Control Processor and Director of Force Systems Engineering within the Space and Naval Warfare Command (SPAWAR). He later served as the Division Director for Afloat Mission Planning Systems within the Command and Control Program Office on the staff of the Program Executive Officer for Cruise Missile and Unmanned Aerial Vehicles. An exceptional leader, he has commanded the Naval Electronic Systems Engineering Center, Charleston, South Carolina, and “commissioned” the Naval Command, Control and Ocean Surveillance Center, In-Service Engineering, East Coast Division, also in Charleston. He subsequently commanded the Naval Command, Control and Ocean Surveillance Center, San Diego, California, with additional duty as Corporate Operations Officers and Corporate Information Officer at SPAWAR.

In 1998, Rear Admiral Lengerich was nominated by the President and confirmed by the Senate for the rank of Rear Admiral (lower half). His initial flag assignments included Director, Information Systems for SPAWAR, and now, on the staff of the Chief of Naval Operations as Director of Industrial Capability, Maintenance Policy and Acquisition Logistics, and as Deputy Director of the Fleet Readiness Division. He was nominated and confirmed for the two-star rank of Rear Admiral in 2001.

Rear Admiral Lengerich assumed his current duties as Vice Commander, Naval Sea Systems Command in August 2002, effectively meeting the spectrum of demanding challenges in the daily operation of a command comprising nearly 50,000 employees and a $20 billion annual budget. His efforts have been instrumental in creating the foundation for an integrated organization with a single corporate focus that is specifically aligned to NAVSEA’s mission in support of the Chief of Naval Operations, Secretary of the Navy, and Secretary of Defense initiatives. His visionary leadership and practical day-to-day approach during a period of unprecedented institutional transformation, has substantially and materially guided the execution of extremely complex acquisition, fleet maintenance and modernization programs to fulfill the needs of the Fleet today and the Navy of tomorrow.

Rear Admiral Lengerich has been indispensable in bringing the leading edges of technical thinking and management skills together to meet myriad Navy needs. A champion of sound fiscal methods, Rear Admiral Lengerich chaired a command review of major acquisition programs to identify and address shortfalls, and provided recommendations to reduce testing and evaluation costs, which were incorporated in the Department’s investment process. Organizationally, he has fostered the improved communications and enhanced teamwork needed to produce desired “bottom line” results within the command and across the Navy. His vision led to the merger of the NAVSEA Warfare Centers into a single business, enabling precisely between the NAVSEA Warfare Centers and Divisions, and the designation of Product Area Directors to ensure each Warfare Center customer received the best and most efficient combination of talent, facilities, and cost. Notably, Rear Admiral Lengerich chaired the Systems Command and Integrated Address the range of issues vital to the delivery of effective war fighting systems, and, has also chaired the Functional Naval Capabilities—Total Ownership Cost Integrated Process Team for the past six years, and led efforts which have yielded over $3 billion a year in ship, aircraft and ground vehicle maintenance cost avoidance.

Rear Admiral Lengerich has devoted significant energies to the command’s civilian and military personnel. He has shaped the command’s “roll out strategy” for transition to the National Security Personnel System and he developed the metrics to guide the command’s Human Capital Strategy, enabling precisely between the NAVSEA Warfare Centers and Divisions, and the designation of Product Area Directors to ensure each Warfare Center customer received the best and most efficient combination of talent, facilities, and cost. Notably, Rear Admiral Lengerich chaired the Systems Command and Integrated Address the range of issues vital to the delivery of effective war fighting systems, and, has also chaired the Functional Naval Capabilities—Total Ownership Cost Integrated Process Team for the past six years, and led efforts which have yielded over $3 billion a year in ship, aircraft and ground vehicle maintenance cost avoidance.

For the past two months, Rear Admiral Lengerich has served superbly as NAVSEA’s Acting Commander, answering the call of duty as he has done many times before. He is an individual of uncommon character and total professional whose presence will be sincerely missed but whose many contributions will certainly endure. I am proud, Mr. Speaker, to thank him for his honorable service in the United States Navy, to commend him for a job “well done,” and to wish him “fair winds and following seas” as he closes his distinguished military career.
ON THE 15TH ANNIVERSARY OF THE INDIVIDUALS WITH DISABILITIES

HON. KATHERINE HARRIS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. HARRIS. Mr. Speaker, I rise today to commemorate the 15th anniversary of the Americans with Disabilities Act (ADA), which we observe this week. This landmark piece of legislation continues to make a daily difference in the lives of the American people—not only in the lives of those with disabilities, but in all of our lives.

The Americans with Disabilities Act laid the groundwork to direct our nation toward equal opportunity for all. Today, the National Council on Disability, working with their federal partners, keeps up the hard work of striving to meet our goals. Let one of my Florida constituents serving as an appointee to the United States Access Board, which helps ensure accessibility in the design of Federal facilities. I applaud her commitment and dedication.

As Florida Secretary of State, I was fortunate to have the opportunity to apply the mission of the ADA to the cause of election reform. In Florida, we worked to remove the obstacles that were preventing individuals with disabilities from participating fully in the political process. With this legislation, Florida became the first state in the Nation to enact a law to secure the voting rights of individuals with disabilities.

We have fought hard to live up to the promise of our founding and to honor the dignity of every individual, and to extend the rights, privileges, and opportunities of that promise to all our citizens. The Americans with Disabilities Act was part of a long line of landmark achievements that have expanded freedom and opportunity in the United States. Let us continue working toward the goals of this law—to remove the obstacles that prevent persons with disabilities from enjoying the full rights that too many Americans take for granted.

TRIBUTE TO LANCE ARMSTRONG

HON. RANDY NEUGEBAUER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEUGEBAUER. Mr. Speaker, Lance Armstrong won an unprecedented seventh Tour de France race over the weekend. His life, both on and off the race track, is a great example of hard work and perseverance. Albert Carey Caswell, a U.S. Capitol Tour Guide, who is also a prolific poet, wrote the following poem in tribute to Lance Armstrong and his accomplishments. I believe that reading this poem will provide encouragement and inspiration to my colleagues as we consider Mr. Armstrong’s accomplishments.

A REAL FINE TOUR DE FORCE OF LIFE
WITH HEART AND SOUL, BODY AND MIND . . .
AND LEGS AND ARMSTRONG

This force, this presence . . . which guides us along life’s path and roads . . .

Direct our way deep down within . . . this burning force, which lasts in life we follow as we go.

As emanating, from so very deep within our very souls, this voice . . . of this our chosen goal, of this our life’s Tour De Force of Life as shows!

While, riding along life’s roads, as there upon our paths as rode, embarking on this journey we call life . . . as ever onward we go . . .

To win the race of life, we all must follow a course of office . . . until, approaching our final nights, upon this our earth as rode.

For in the game of life, there is but one thing that bright . . . of which makes us all contenders. Just one difference between winning and losing . . . for it’s ‘‘The Heart’’ from which all great things are so rendered.

For True Champions come in all shapes and sizes . . . but, it’s what’s found within their hearts as where lies their true and golden splendor.

While, traveling through life’s country sides, as over her mountain tops we climb, as along life’s rivers which we wind . . . as by her we glide . . .

In this our most valiant quests, To Be The Best . . . as before us lies the answer so . . . Of this great test, within our hearts inside . . .

Do we get up when we fall down? While, upon each stage in this race called life . . . do our hearts burn bright in our souls as found?

For in this our greatest quests, To Be The Best . . . will we one day because of these our precious gifts, perhaps be so Heaven bound?

In Life . . . to go for the Gold! To cheat again, to reach down inside of yourself . . . as your soul stretch . . . until, none is left, oh, so very bold! To be a true Champion, To be The Best, to rewrite history and the records books while upon our life’s valiant quest . . . as Lance so-Gold.

A True Great Champion . . . among just mere men.

A winner, a man of courage . . . of passion . . . of fury and heart . . . from the start . . . to the middle . . . until, the very end.

A man knows but only one creed . . . who knows no bounds . . . to push the envelope as he is found . . . as his quest for victory never so ends!

A Real Fine Tour De Force of Life . . . A Real Tour De France . . . as is this Tour De Lance!

A True Terminator, among his fellow athletes as a most historic creator . . . as ever onward he’ll advance . . .

For there is no mountain too steep for him to climb, no cure too sharp for him to ride in time . . . with but one thing on his mind, that Golden Chance!

With Heart and Soul . . . Body and Mind . . .

And Legs and Armstrong!

As this great American Hero, has shown to this our world why, with his character he so belongs.

For in Sir Lancelot, we see this Valiant Knight of Courage’s Quest . . . reaching deep down into our souls, as with his tests . . . his sweet life’s song!

While, there looking into the very face of death!

Pedaling up hill, how Lance achieved the ultimate victory by changing the game, ‘‘Cheating Death’’ . . . in his most valiant of all quests . . .

But not to lull, but to move ever forward somewhere, we find ourselves, here and now . . . while, to this our world he’s shown his very best!

And, as Lance rides onward into history . . . My child, I bid you to learn and see . . . and glean from his life lessons, all about what’s within a heart you need.

What it takes to win and succeed, about hope and faith, about character and courage and dedication within great hearts within you to succeed.

In traveling down the road of life, For Lance, we so see A Great Fine Tour De Force of Life, to so carry with us in our hearts about God and Faith and Sacrifice!

A true celebration of the Heart and Soul of Courage and Faith . . . and it’s true worth in Gold, this his A Fine Tour De Force of Life!

INTRODUCTION OF A RESOLUTION CONDEMNING THE CUBAN REGIME’S MOST RECENT MEASURES OF EXTREME REPRESSION AGAINST MEMBERS OF CUBA’S PRO-DEMOCRACY MOVEMENT

HON. LINCOLN DIAZ-BALART
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to introduce a resolution condemning the Cuban dictatorship’s most recent measures of extreme repression against Cuba’s pro-democracy movement.

Following Castro’s condemnable, March 2005, crackdown against peaceful pro-democracy activists, the European Union correctly took measures against the Cuban regime. However, in January 2005, the European Union suspended these measures and resumed its policy of so-called “engagement” with the terrorist regime in Havana. This policy of appeasement includes inviting regime officials to diplomatic events and shamelessly disinviting Cuba’s brave pro-democracy activists. Unfortunately, on July 14, 2005, the Government of France invited the dictatorship’s Foreign Minister to the French Embassy in Havana for a Bastille Day celebration. And, the Government of France did not invite the heroic members of the democratic opposition to the same celebration.

To protest this cowardly policy, members of the pro-democracy opposition in Cuba sought, on July 22, to demonstrate in front of the French Embassy in a peaceful and orderly manner for the liberation of all Cuban political prisoners, and to denounce the current policy of the European Union.

In a viscous display of gangster-style repression, the Cuban regime mobilized its repugnant state security apparatus to try to intimidate and harass the peaceful demonstrators. Members of the Assembly to Promote Civil Society in Cuba, who were planning a peaceful demonstration in front of the French Embassy in Havana on Friday, July 22, were the victims of hate acts (“acts of repudiation”), their homes were ransacked, and at least 20 of them were arrested. Among those arrested were the leaders of the Cuban opposition Martha Beatriz Roque, Félix Bonne Cossio and René Gómez Manzano. Mr. Gómez Manzano and his opposition members remain in prison as I speak.

This is one more example of the brutality of a dictatorship that does not allow freedom of
Ms. EDDIE BERNICE JOHNSON of Texas.

Mr. Speaker, I rise this evening not only to celebrate the 15th Anniversary of the Americans with Disabilities Act, known as the ADA, but also to acknowledge my unwavering support of the ADA and of people with disabilities.

This Act has created positive changes, large and small, for disabled people everywhere. The access ramps we see leading into buildings are examples. Water fountains and sinks are more accessible. Services for the sight- and hearing-impaired are more common.

Employment discrimination is decreasing.

Another important development is that the Americans with Disabilities Act has mobilized the disabilities advocacy community. Since 1990, people with disabilities have grown into seasoned advocates. They have unified their voices and are being heard from the halls of Congress to the every city and town across America. Unity has added strength to their voice and confidence to their actions. And they are being heard, loud and clear. Every year, Congress has considered legislation affecting people with disabilities, whether it be concerning Social Security benefits, education, tax provisions, labor standards, or other issues. The Americans with Disabilities Act provided a comprehensive legislative starting point—but there is still so much more to be done.

Perhaps more than anything else, this legislation has given hope to disabled people here in Dallas and across this nation. The Americans with Disabilities Act affirmed that people with disabilities should have as many opportunities to succeed in life as any other citizen. Its message is one of equality. To the 14,589 disabled workers in Texas’ 30th District, and others across the nation, the message is: “You belong.”

This landmark law was passed with strong bipartisan support and signed into law by President George H.W. Bush. As we mark the 15th anniversary of this historic event, we celebrate the tremendous progress and new doors that have been opened to individuals with disabilities as a result of the ADA.

The purpose of the ADA was to provide clear and comprehensive national standards to eliminate discrimination against individuals with disabilities. As a result, individuals with disabilities are now able to live in their homes and have access to new careers. Accessible busses and trains and better paratransit systems have made it possible for more people with disabilities to get to work and school, enjoy restaurants and theaters and travel.

The ADA has improved society, not only for the 14 percent of Americans over the age of five who have at least one disability. Common-sense accommodations like curb cuts and close captioning have also benefited Americans without disabilities.

On this important anniversary, we must remember that while we have come a long way in eliminating barriers, critical work remains to ensure all Americans can live up to their full potential. Tragically, we still have stereotypes and misconceptions that affect people with disabilities. Sadly, we still have examples like the boy in Pennsylvania who was the target of discrimination by his T-ball coach. This is not an isolated incident, as I have learned of another boy in Kansas who was denied the right to play T-ball like any other 7-year-old because he had cerebral palsy. Fortunately, because of the ADA, that boy was eventually allowed to play T-ball.

Giving people with disabilities the right to participate fully in society is what this landmark legislation is all about.

As co-chair of the Bipartisan Disabilities Caucus, I know that the ADA is a major achievement and much has been accomplished over the last 15 years. As we celebrate how far we’ve come, let us also recommit to creating a society in which no barrier stands in the way of fully participating in our society.

HON. SUE WILKINS MYRICK
OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. MYRICK. Mr. Speaker, I was unable to participate in the following votes on July 22, 2005. If I had been present, I would have voted as follows:

Rollcall vote 415, on agreeing to the Velázquez of New York amendment No.4 to H.R. 3070—the National Aeronautics and Space Administration Authorization Act, I would have voted “no.”

Rollcall vote 416, on passage of H.R. 3070—the National Aeronautics and Space Administration Authorization Act, I would have voted “aye.”

HON. DONNA M. CHRISTENSEN
OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. CHRISTENSEN. Mr. Speaker, the United States Virgin Islands has lost one of its outstanding success stories as prominent lawyer and Judge Alphonso Christian passed away Saturday, July 23, 2005.

With the passing of this Native son we have lost a premiere trail blazer. This outstanding Virgin Islander, born in Frederiksted, St. Croix, made substantial contributions to the Territory and in particular to the island of St. Thomas, the place he sailed to as a young man to begin his career. St. Thomas became his home, and it is where he began a flourishing and illustrious career, raising his children to be another generation of a progressive Family that is especially renowned in St. Croix for its intransigence, hard work and diligence.

Christian, 88, died of heart failure at St. Joseph L. Schneider Hospital on St. Thomas. A jurist, attorney, government administrator, teacher and community activist, Christian had arisen from humble beginnings on St. Croix. Christian was born on August 2, 1916 to Peter and Wilhelmine Christian in Frederiksted. He grew up in a well-disciplined upbringing and strong will to succeed during his child hood set the tone for his achievements to come.

He graduated as the Valedictorian of the Commercial Class at St. Patrick’s and started as Clerk Typist at the Agricultural Station at Anna’s Hope. He later came to St. Thomas where his speed and accuracy in this position paved the way for his becoming the Stenographer to Mr. Herbert Lockhart of the A.H. Lockhart & Co., a company that was the hub of all commercial activity on St. Thomas.

He worked his way from stenographer to reporter, and served as secretary of the Virgin Islands Municipal Council, and all the while he studied law by correspondence with the well-known LaSalle School. Impressed by his legal intellect, although he had never practiced law, Christian was allowed to take the bar exam without having attended law school. He passed at his first attempt with high marks and was admitted to the V.I. Bar in 1949.

Christian became involved with civic and political organizations while studying law by correspondence with the well-known LaSalle School. His activity in politics began with his involvement in the first political party, the V.I. Progressive Guide. That position was the springboard to other positions such as Executive Secretary to the Municipal Council and the Legislative Assembly.

He was named legal aide to the Municipal Council of St. Thomas and St. John and the Legislative Assembly in 1949 and Judge of the Police Court in 1951. For the three years he served as Clerk Judge of the Police Court, he also served as Coroner Recorder of Deeds, Chairman of the Board of Elections, United States Commissioner and Chairman of the Fourth of July Celebrations.

In 1972, he was appointed Commissioner of Public Safety of the Virgin Islands and served in the position until 1975, when he practiced law full-time. In April 1978, he was named the first Senior Sitting Judge of the Territorial
Court of the Virgin Islands, now known as the Superior Court, and served until April 1993.

Judge Alphonso Christian has served the Territory as a businessman, teacher, Attorney, Commissioner, Jurist, community activist and philanthropist. Judge Christian started his own business by opening and teaching at his own Commercial School, which he began in his living room and later transferred to his law office.

He was also the Commissioner of Public Safety at the time when that Department also included the Fire Service and the Prison System. His extensive community involvement also included being a Charter Member of the Lions Club, Chairman of the Virgin Islands Carnival Committee for several years, serving on various community Boards, and using his legal experience and business acumen to help the Catholic Church in many areas. While serving in these many capacities, Christian also taught legal assistants at the University of the Virgin Islands.

A man of many talents and blessed with wisdom, knowledge and persistence, Alphonso Christian will be long remembered and praised for his work in all areas in which he served his beloved home, but I am certain that he counts among his greatest contributions, as do we, those which have been made and will continue to be made through his children and grandchildren.

Judge Alphonso and my father Judge Almeric Christian who preceded him in death by several years were respected colleagues and good friends. On behalf of my family, staff, and the Members of the 109th Congress of the United States of America, I extend my heartfelt condolences to Mrs. Ruth Christian, their children, Rubina, Delano, Alicia, including my dear friends Attorney Alphonso, Jr., and Dr. Cora Christian, grandchildren, sister Ann Abramson, family and friends.

May God comfort and bless you during this time of loss and may you find peace and acceptance in knowing that Judge Christian left his place among the community of nations and continues to enrich the diverse tapestry where.

The Filipino-American experience and evolving yet always close relationship between the Philippines and the United States began in earnest in 1906, when fifteen Filipino contract laborers arrived in the then-Territory of Hawaii to work on the islands’ sugar plantations. This marked the start of an immigration from the Philippines to the United States which, during the subsequent century, has numbered upwards of 600,000 a year, making Filipinos our second-largest immigrant group from the Asia-Pacific region.

The year 1906 was also when the first class of two hundred “pensionados” arrived from the Philippines to obtain a United States education with the intent of returning to the Philippines. Many, however, stayed to become American citizens, forming, with the “sakadas” who emigrated to my Hawaii, the foundation of today’s Filipino-American community.

The year 1906 was also when the first class of two hundred “pensionados” arrived from the Philippines to obtain a United States education with the intent of returning to the Philippines. Many, however, stayed to become American citizens, forming, with the “sakadas” who emigrated to my Hawaii, the foundation of today’s Filipino-American community.

The story of America’s Filipino-American community is little known and rarely told. Yet it is the quintessential immigrant story of early struggle, pain, sacrifice, and broken dreams, leading eventually to success in overcoming ethnic, social, economic, political, and legal barriers to win a well-deserved place in American society.

Today, 2.4 million Americans of Filipino ancestry live throughout our Nation, including the two top states: California, where 1.1 million reside, and Hawaii, my home state, where some 275,000 live (140,000 in my Second Congressional District alone, making it home to the largest number of Filipino Americans of any congressional district).

Members of this community have made great contributions to America, and have achieved success and distinction in, among other things, labor, business, politics, media and the arts, medicine, and the armed forces. Filipino Americans have also served with distinction in the armed forces of the United States throughout the long U.S.-Philippines relationship, from World Wars I and II through the Korean War, the Vietnam War, the Gulf War, and today in Afghanistan, Iraq and elsewhere.

Many Filipino Americans retained their mother country’s proud cultural traditions, which continue to enrich the diverse tapestry of today’s American experience. Many have also maintained close ties to family and friends in the Philippines, and therefore played an indispensable role in maintaining the strength and vitality of the U.S.-Philippines relationship.

That relationship has evolved over the past century from the 1898–1946 period of U.S. governance, during which the then-Commonwealth of the Philippines was represented in the U.S. Congress by thirteen resident commissioners, to the post-independence period beginning in 1946, when the Philippines took its place among the community of nations and became one of this country’s most reliable allies in the international arena.

In 2006, our Filipino-American community will join all Americans in pausing to recognize a century of achievement in the United States through a series of nationwide celebrations and memorials marking the centennial of sustained immigration from the Philippines. This centennial will provide every American of whatever ethnic heritage an opportunity to not only celebrate a century of Filipino immigration to the United States, but to celebrate, appreciate, and honor the struggles and triumphs common to the immigrant experience, which, of course, is also the American experience.
SENATE COMMITTEE MEETINGS
Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 28, 2005 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED
SEPTEMBER 7
Time to be announced
Homeland Security and Governmental Affairs
To hold hearings to examine NASA passenger aircraft.
SD–562

SEPTEMBER 20
10 a.m.
Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans’ Affairs to examine the legislative presentation of the American Legion.
345 CHOB
Chamber Action

Routine Proceedings, pages S9059–S9086

Measures Introduced: Eighteen bills and four resolutions were introduced, as follows: S. 4, 1504–1520, S. Res. 215–217, and S. Con. Res. 48. (See next issue.)

Measures Reported:

S. 172, to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, with an amendment in the nature of a substitute. (S. Rept. No. 109–110)

S. 1418, to enhance the adoption of a nationwide interoperable health information technology system and to improve the quality and reduce the costs of health care in the United States, with an amendment in the nature of a substitute. (S. Rept. No. 109–111) (See next issue.)

Measures Passed:

Medical Device User Fee Stabilization Act: Senate passed H.R. 3423, to amend the Federal Food, Drug, and Cosmetic Act with respect to medical device user fees, clearing the measure for the President. (See next issue.)

Foundation for the National Institutes of Health Improvement Act: Senate passed S. 302, to make improvements in the Foundation for the National Institutes of Health, after agreeing to the committee amendment in the nature of a substitute. (See next issue.)

National Foundation for the Centers for Disease Control and Prevention: Senate passed S. 655, to amend the Public Health Service Act with respect to the National Foundation for the Centers for Disease Control and Prevention, after agreeing to the committee amendment in the nature of a substitute. (See next issue.)

Jornada Experimental Range Transfer Act: Committee on Agriculture, Nutrition and Forestry was discharged from further consideration of S. 447, to authorize the conveyance of certain Federal land in the State of New Mexico, and the bill was then passed. (See next issue.)

Women’s Business Center Grants: Senate passed S. 1517, to permit Women’s Business Centers to recompete for sustainability grants. (See next issue.)

Honoring World War II Veterans: Senate agreed to S. Res. 216, expressing gratitude and appreciation to the men and women of the United States Armed Forces who served in World War II, commending the acts of heroism displayed by those servicemembers, and recognizing the “Greatest Generation Homecoming Weekend” to be held in Pittsburgh, Pennsylvania. (See next issue.)

National Marina Day: Senate agreed to S. Res. 217, designating August 13, 2005, as “National Marina Day”. (See next issue.)

National Historically Black Colleges Week: Committee on the Judiciary was discharged from further consideration of S. Res. 158, expressing the sense of the Senate that the President should designate the week beginning September 11, 2005, as “National Historically Black Colleges and Universities Week”, and the resolution was then agreed to. (See next issue.)

National Airborne Day: Committee on the Judiciary was discharged from further consideration of S. Res. 86, designating August 16, 2005, as “National Airborne Day” and the resolution was then agreed to, after agreeing to the following amendment proposed thereto:

McConnell (for Hagel) Amendment No. 1628, to provide that the people of the United States observe “National Airborne Day” with appropriate programs, ceremonies and activities. (See next issue.)

30th Anniversary of the Helsinki Act: Committee on Foreign Relations was discharged from further consideration of S.J.Res. 19, calling upon the President to issue a proclamation recognizing the 30th anniversary of the Helsinki Final Act, and the joint resolution was then passed. (See next issue.)

Commemorating Polish Workers Strike Anniversary: Committee on the Judiciary was discharged
from further consideration of S. Res. 198, commemorating the 25th anniversary of the 1980 worker’s strike in Poland and the birth of the Solidarity Trade Union, the first free and independent trade union established in the Soviet-dominated countries of Europe, and the resolution was then agreed to.

(See next issue.)

**National Attention Deficit Disorder Awareness Day:** Committee on the Judiciary was discharged from further consideration of S. Res. 201, designating September 14, 2005, as “National Attention Deficit Disorder Awareness Day”, and the resolution was then agreed to.

(See next issue.)

**People-to-People Engagement in World Affairs:** Committee on Foreign Relations was discharged from further consideration of S. Res.104, expressing the sense of the Senate encouraging the active engagement of Americans in world affairs and urging the Secretary of State to take the lead and coordinate with other governmental agencies and non-governmental organizations in creating an online database of international exchange programs and related opportunities, and the resolution was then agreed to, after agreeing to the following amendment proposed thereto:

McConnell (for Feingold) Amendment No. 1629, to make certain corrections to the resolution.

(See next issue.)

**Protection of Lawful Commerce in Arms Act:** Senate began consideration of S. 397, to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others, after agreeing to the motion to proceed to consideration of the bill, and taking action on the following amendments proposed thereto:

PENDING:

Frist (for Craig) Amendment No. 1605, to amend the exceptions.

(See next issue.)

Frist Amendment No. 1606 (to Amendment No. 1605), to make clear that the bill does not apply to actions commenced by the Attorney General to enforce the Gun Control Act and National Firearms Act.

(See next issue.)

Reed (for Kohl) Amendment No. 1626, to amend chapter 44 of title 18, United States Code, to require the provision of a child safety lock in connection with the transfer of a handgun.

(See next issue.)

A motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on cloture will occur on Friday, July 29, 2005.

(See next issue.)

A unanimous-consent agreement was reached providing that on Thursday, July 28, 2005, there be one hour equally divided for debate in relation to Kohl Amendment No. 1626 (listed above); that following the use or yielding back of time, Senate proceed to a vote in relation to the Kohl Amendment with no amendment in order prior to the vote.

(See next issue.)

A unanimous-consent agreement was reached providing for further consideration of the bill at approximately 10:30 a.m. on Thursday, July 28, 2005; provided further, that Senators have until 1 p.m. to file first-degree amendments.

(See next issue.)

**Defense Authorization—Agreement:** A unanimous-consent agreement was reached providing that at any time determined by the Majority Leader, after consultation with the Democratic Leader, the Senate would resume consideration of S. 1042, to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces.

(See next issue.)

**Signing Authority—Agreement:** A unanimous-consent agreement was reached providing that during this adjournment of the Senate, the Majority Leader and Majority Whip be authorized to sign duly enrolled bills or joint resolutions.

(See next issue.)

**Highway Extension Agreement:** A unanimous-consent agreement was reached providing that notwithstanding the recess or adjournment of the Senate, that when the Senate receives from the House of Representatives a short-term highway extension, the bill be considered, read a third time and passed.

(See next issue.)

**Nominations Received:** Senate received the following Nominations:

Keith E. Gottfried, of California, to be General Counsel of the Department of Housing and Urban Development.

Alfred Hoffman, of Florida, to be Ambassador to the Republic of Portugal.


Bertha K. Madras, of Massachusetts, to be Deputy Director for Demand Reduction, Office of National Drug Control Policy.

Diane Rivers, of Arkansas, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.

Sandra Frances Ashworth, of Idaho, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.
Jan Cellucci, of Massachusetts, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.

1 Army nomination in the rank of general.

Messages From the House: (See next issue.)

Measures Referred: (See next issue.)

Measures Placed on Calendar: (See next issue.)

Executive Communications: (See next issue.)

Additional Cosponsors: (See next issue.)

Statements on Introduced Bills/Resolutions: (See next issue.)

Additional Statements: (See next issue.)

Amendments Submitted: (See next issue.)

Notices of Hearings/Meetings: (See next issue.)

Authority for Committees to Meet: (See next issue.)

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:40 p.m. until 9:30 a.m., on Thursday, July 28, 2005. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S9086.)

Committee Meetings

(Committees not listed did not meet)

CONSERVATION RESERVE PROGRAM
Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Forestry, Conservation, and Rural Revitalization concluded an oversight hearing to examine the Conservation Reserve Program, the voluntary program for agricultural landowners that provides annual rental payments and cost-share assistance to establish long-term, resource-conserving covers on eligible farmland, after receiving testimony from James R. Little, Administrator, Farm Service Agency, Department of Agriculture; Dan Forster, Georgia Department of Natural Resources, Social Circle; Sherman Reese, Echo, Oregon, on behalf of the National Association of Wheat Growers; Kendell W. Keith, National Grain and Feed Association, and Krysta Harden, National Association of Conservation Districts, both on behalf of sundry groups, both of Washington, D.C.; and Jeffrey W. Nelson, Ducks Unlimited, Inc., Bismarck, North Dakota, on behalf of sundry groups.

NATIONAL ALERT SYSTEM
Committee on Commerce, Science, and Transportation: Subcommittee on Disaster Prevention and Prediction concluded a hearing to examine the need for a national all-hazards alert and public warning system, focusing on the role and activities of the Federal Government to ensure the quick and accurate dissemination of alert and warning information, after receiving testimony from Reynold N. Hoover, Director, Office of National Security Coordination, Federal Emergency Management Agency, Department of Homeland Security; Kenneth Moran, Acting Director, Office of Homeland Security, Enforcement Bureau, Federal Communications Commission; Mark Paese, Director, Maintenance, Logistics and Acquisitions Division, National Weather Service, National Oceanic and Atmospheric Administration, Department of Commerce; and Christopher E. Guttman-McCabe, CTIA—The Wireless Association, Richard Taylor, ComCARE Alliance, and John M. Lawson, Association of Public Television Stations, all of Washington, D.C.

FAIR RATINGS ACT
Committee on Commerce, Science, and Transportation: Committee concluded a hearing to examine S. 1372, to provide for the accuracy of television ratings services, focusing on Nielsen’s implementation of the local people meter (LMP) service, after receiving testimony from George Ivie, Media Rating Council, Inc., Susan Whiting, Nielsen Media Research, Ceril Shagrin, Univision, and Kathy Crawford, MindShare, all of New York, New York; Patrick J. Mullen, Tribune Broadcasting Company, Chicago, Illinois; and Gale Metzger, SMART Media, Cranford, New Jersey.

HYDROGEN AND FUEL CELL RESEARCH
Committee on Energy and Natural Resources: Subcommittee on Energy concluded a hearing to examine recent progress in hydrogen and fuel cell research sponsored by the Department of Energy and by private industry, including challenges to the development of these technologies, after receiving testimony from Douglas L. Faulkner, Acting Assistant Secretary of Energy for Energy Efficiency and Renewable Energy; Jeremy Bentham, Royal Dutch Shell, Amsterdam, The Netherlands; Lawrence D. Burns, General Motors Corporation, Warren, Michigan; and Dennis Campbell, Ballard Power Systems, Burnaby, British Columbia.

MEDICARE
Committee on Finance: Committee held a hearing to examine the role of value-based purchasing relating to improving quality in Medicare, focusing on the use of pay-for-performance reimbursement systems within the Medicare program, receiving testimony from Herb Kuhn, Director, Center for Medicare Management, Centers for Medicare and Medicaid Services, Department of Health and Human Services;
Mark E. Miller, Executive Director, Medicare Payment Advisory Commission; Thomas Byron Thames, AARP, and Nancy H. Nielsen, American Medical Association, both of Washington, D.C.; Leo P. Brideau, Columbia St. Mary’s, Milwaukee, Wisconsin, on behalf of the American Hospital Association; and James J. Mongan, Partners HealthCare, Boston, Massachusetts.

Hearing recessed subject to the call.

NOMINATIONS
Committee on Foreign Relations: Committee concluded a hearing to examine the Nominations of William J. Burns, of the District of Columbia, to be Ambassador to the Russian Federation, who was introduced by Senator Hagel; William Robert Timken, Jr., of Ohio, to be Ambassador to the Federal Republic of Germany, who was introduced by Senators Voinovich, DeWine, and Allen; Richard Henry Jones, of Nebraska, to be Ambassador to Israel; and Francis Joseph Ricciardone, Jr., of New Hampshire, to be Ambassador to the Arab Republic of Egypt, after the nominees testified and answered questions in their own behalf.

UNITED NATIONS PEACEKEEPING REFORM
Committee on Foreign Relations: Subcommittee on International Operations and Terrorism concluded a hearing to examine United Nations peacekeeping reform efforts, focusing on exploitation by United Nations peacekeepers of civilian populations, relating to the need for stronger oversight, investigative and disciplinary procedures, and training to prevent such abuse, after receiving testimony from Philo L. Dibble, Acting Assistant Secretary of State for International Organization Affairs.

Also, committee received a briefing on United Nations peacekeeping efforts from H.R.H. Prince Zeid Ra’ad Zeid Al-Hussein, Permanent Representative of the Hashemite, Kingdom of Jordan, and Jane Holl Lute, Assistant Secretary General, Peacekeeping Operations, both of the United Nations.

CHEMICAL FACILITIES SECURITY
Committee on Homeland Security and Governmental Affairs: Committee held a hearing to determine whether the Federal government is doing enough to secure chemical facilities, focusing on security operations relating to marine transportation, the fertilizer industry, and the industrial sector, receiving testimony from Rear Admiral Craig E. Bone, Director of Port Security, Maritime Safety, Security, and Environmental Protection Directorate, U.S. Coast Guard, Department of Homeland Security; Robert A. Full, Allegheny County Department of Emergency Services, Pittsburgh, Pennsylvania; Beth Turner, E.I. du Pont de Nemours and Company, Inc., Wilmington, Delaware; Jim L. Schellhorn, Terra Industries, Inc., Washington, D.C., on behalf of The Fertilizer Institute; and John P. Chamberlain, Shell Oil Company, Houston, Texas, on behalf of the American Petroleum Institute.

SECURITIES AND EXCHANGE COMMISSION

INDIAN GAMING
Committee on Indian Affairs: Committee concluded an oversight to examine lands eligible for gaming pursuant to the Indian Gaming Regulatory Act, after receiving testimony from Senators Voinovich and Vitter; George T. Skibine, Acting Deputy Assistant Secretary of the Interior for Policy and Economic Development for Indian Affairs; Penny J. Coleman, Acting General Counsel, National Indian Gaming Commission; Walter Gray, Guidiville Band of Pomo Indians, Talmage, California; Christine Norris, The Jena Band of Choctaw Indians, Jena, Louisiana; John R. Barnett, Cowlitz Indian Tribe, Longview, Washington; and Charles D. Enyart, Eastern Shawnee Tribe of Oklahoma, Seneca, Missouri.

FBI OVERSIGHT
Committee on the Judiciary: Committee concluded an oversight hearing to examine the Federal Bureau of Investigation, focusing on the creation of an intelligence service within the Federal Bureau of Investigation, specifically impacting the language program, information technology capabilities, and ability to recruit, hire, train, and retain expertise, after receiving testimony from former Representative Lee Hamilton, on behalf of the National Commission on Terrorist Attacks Upon the United States; Robert S. Mueller, III, Director, Federal Bureau of Investigation, and Glenn A. Fine, Inspector General, both of the Department of Justice; William H. Webster, Milbank, Tweed, Hadley, and McCloy, LLP, former Director, Federal Bureau of Investigation, and John A. Russack, Information Sharing Environment, both of Washington, D.C.
INTELLIGENCE
Select Committee on Intelligence: Committee met in closed session to receive a briefing on certain intelligence matters from officials of the intelligence community.

ELDERLY VICTIMIZATION
Special Committee on Aging: Committee concluded a hearing to examine the victimization of the elderly through scams, focusing on internet fraud, prize and sweepstakes fraud, health-related fraud, identity theft, and consumer education, after receiving testimony from Lois C. Greisman, Associate Director, Division of Planning and Information, Federal Trade Commission; Zane M. Hill, Acting Assistant Chief Inspector, U.S. Postal Inspection Service; Anthony R. Pratkanis, University of California at Santa Cruz; Denise C. Park, University of Illinois Beckman Institute, Urbana-Champaign; Helen Marks Dicks, Coalition of Wisconsin Aging Groups, Madison; and Vicki Hersen, Elders in Action, Portland, Oregon.

House of Representatives

Chamber Action
Public Bills and Resolutions Introduced: 45 public bills, H.R. 3449–3493; 2 private bills, H.R. 3494–3495; and 7 resolutions, H. Con. Res. 219–223; and H. Res. 391, 397 were introduced.

Additional Cosponsors: (See next issue.)

Reports Filed: (See next issue.)
Conference Report on H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy (H. Rept. 109–190);
H.R. 1132, to provide for the establishment of a controlled substance monitoring program in each State, amended (H. Rept. 109–191);
H.R. 3204, to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools, amended (H. Rept. 109–192);
H. Con. Res. 208, recognizing the 50th anniversary of Rosa Louise Parks’ refusal to give up her seat on the bus and the subsequent desegregation of American society (H. Rept. 109–193);
H. Res. 336, requesting that the President focus appropriate attention on neighborhood crime prevention and community policing, and coordinate certain Federal efforts to participate in “National Night Out”, which occurs the first Tuesday of August each year, including by supporting local efforts and community watch groups and by supporting local officials, to promote community safety and help provide homeland security (H. Rept. 109–194);
H. Con. Res. 216, expressing the sense of the Congress that, as Congress observes the 40th anniversary of the Voting Rights Act of 1965 and encourages all Americans to do the same, it will advance the legacy of the Voting Rights Act of 1965 by ensuring the continued effectiveness of the Act to protect the voting rights of all Americans (H. Rept. 109–195);
H. Res. 378, recognizing and honoring the 15th anniversary of the signing of the Americans with Disabilities Act of 1990 (H. Rept. 109–196, Pt. 1);
H.R. 3205, amending title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely affect patient safety, amended (H. Rept. 109–197);
H. Res. 392, waiving points of order against the conference report to accompany the bill (H.R. 2361) making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006 (H. Rept. 109–198);
H. Res. 393, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (H. Rept. 109–199);
H. Res. 394, waiving points of order against consideration of the conference report to accompany the bill (H.R. 6) to ensure jobs for our future with secure, affordable, and reliable energy (H. Rept. 109–200);
H. Res. 395, providing for consideration of motions to suspend the rules (H. Rept. 109–201); and
H. Res. 396, waiving points of order against the conference report to accompany the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006 (H. Rept. 109–202).

Speaker: Read a letter from the Speaker wherein he appointed Representative Bonilla to act as speaker pro tempore for today.

Chaplain: The prayer was offered today by Rev. Lawrence Hargrave, Colgate Rochester Crozer Divinity School in Rochester, New York.
United States Trade Rights Enforcement Act: The House passed H.R. 3283, to enhance resources to enforce United States trade rights, by a yeo-and-nay vote of 255 yeas to 168 nays, Roll No. 457.

(See next issue.)

Rejected the Cardin motion to recommit the bill to the Committee on Ways and Means with instructions to report the same back to the House forthwith with an amendment, by a yeo-and-nay vote of 195 yeas to 232 nays, Roll No. 436. (See next issue.)

Pursuant to the rule, the amendment in the nature of a substitute printed in H. Rept. 109–187, was adopted.

H. Res. 387, the rule providing for consideration of the bill was agreed to by a recorded vote of 228 ayes to 200 noes, Roll No. 433, after agreeing to order the previous question by a yeo-and-nay vote of 226 yeas to 202 nays, Roll No. 432.

Pages H6658–68 (continued next issue)

Suspensions: The House agreed to suspend the rules and pass the following measures:

State High Risk Pool Funding Extension Act of 2005: H.R. 3204, amended, to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools; Pages H6668–71

Controlled Substances Export Reform Act of 2005: S. 1395, to amend the Controlled Substances Import and Export Act to provide authority for the Attorney General to authorize the export of controlled substances from the United States to another country for subsequent export from that country to a second country, if certain conditions and safeguards are satisfied;—clearing the measure for the President; Pages H6671–73

Patient Safety and Quality Improvement Act of 2005: S. 544, to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely effect patient safety, by a 2/3 yeo-and-nay vote of 428 yeas to 5 nays, Roll No. 434;— clearing the measure for the President;

Pages H6673–79 (continued next issue)

Amending the Controlled Substances Act with regard to patient limitations on prescribing drug addiction treatments: S. 45, to amend the Controlled Substances Act to lift the patient limitation on prescribing drug addiction treatments by medical practitioners in group practices, by a 2/3 yeo-and-nay vote of 429 yeas with none voting “nay”, Roll No. 435;— clearing the measure for the President;

Pages H6679–81 (continued next issue)

National All Schedules Prescription Electronic Reporting Act of 2005: H.R. 1132, amended, to provide for the establishment of a controlled substance monitoring program in each State;

Pages H6681–86

Encouraging the Transnational Assembly of Iraq to adopt a constitution that grants women equal rights: H. Res. 383, encouraging the Transnational National Assembly of Iraq to adopt a constitution that grants women equal rights under the law and to work to protect such rights, by a 2/3 yeo-and-nay vote of 426 yeas with none voting “nay”, Roll No. 438; Pages H6686–91 (continued next issue)

Condemning the terrorist attacks in Sharm el-Sheikh, Egypt on July 23, 2005: H. Res. 384, condemning in the strongest terms the terrorist attacks in Sharm el-Sheikh, Egypt, on July 23, 2005, by a 2/3 yeo-and-nay vote of 428 yeas with none voting “nay”, Roll No. 439; (See next issue.)


(See next issue.)

Help Efficient, Accessible, Low-Cost, Timely Healthcare (HEALTH) Act of 2005—Rule for Consideration: The House agreed to H. Res. 385, the rule providing for consideration of H.R. 5, to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system, by a recorded vote of 226 ayes to 200 noes with one voting “present”, Roll No. 441, after agreeing to order the previous question by a yeo-and-nay vote of 226 yeas to 200 nays with 1 voting “present”, Roll No. 440.

(See next issue.)

Dominican Republic-Central American-United States Free Trade Agreement Implementation Act: The House passed H.R. 3045, to implement the Dominican Republic-Central America-United States Free Trade Agreement, by a recorded vote of 217 ayes to 215 noes, Roll No. 443. (See next issue.)

H. Res. 386, the rule providing for consideration of the bill was agreed to by a yeo-and-nay vote of 227 yeas to 201 nays, Roll No. 442. (See next issue.)

Surface Transportation Extension Act: The House passed H.R. 3453, to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century. (See next issue.)
National Committee on Vital and Health Statistics—Reappointment: The Chair announces the Speaker's reappointment of Mr. Jeffrey S. Blair of Albuquerque, New Mexico to the National Committee on Vital and Health Statistics. (See next issue.)

Senate Messages: Messages received from the Senate today will appear in the next issue.

Senate Referrals: S. 264, S. 1480, S. 243, S. 1481, S. 1482, S. 203, S. 1484, S. 1485, S. 178, S. 207, S. 229, S. 231, S. 232, S. 253, S. 276, S. 54, S. 128, S. 152, S. 182, S. 205, S. 214, S. 301, S. 47, S. 52, S. 56, S. 97, S. 101, S. 153, S. 212, S. 252, and S. 279 were referred to the Committee on Resources; S. 706 was referred to the Committee on Transportation and Infrastructure; S. 1483 was referred to the Committee on Education and the Workforce; S. 176, S. 285, and S. 244 were referred to the Committee on Energy and Commerce; S. 442 was referred to the Committee on the Judiciary; S. 225 was referred to the Committees on Resources, Agriculture and Government Reform; S. 263 was referred to the Committees on Resources and Agriculture; S. 136 was referred to the Committees on Resources and Education and the Workforce; and S. 272, S. 55, S. 156, and S. 161, were held at the desk. (See next issue.)

Quorum Calls—Votes: 10 yea-and-nay votes and 3 recorded votes developed during the proceedings of today will appear in the next issue. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 12:15 a.m.

Committee Meetings

MISCELLANEOUS MEASURES

Committee on Agriculture: Ordered favorably reported the following bills: H.R. 3421, To reauthorize the United States Grain Standards Act, to facilitate the official inspection at export locations of grain required or authorized to be inspected under such Act; and H.R. 3408, To reauthorize the Livestock Mandatory Reporting Act of 1999 and to amend the swine reporting provisions of that Act.

CHINESE MILITARY POWER

Committee on Armed Services: Held a hearing on Chinese military power. Testimony was heard from Franklin Kramer, former Assistant Secretary, International Security Affairs, Department of Defense; and public witnesses.

TERRORISM INSURANCE FUTURE

Committee on Financial Services: Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing on the Future of Terrorism Insurance. Testimony was heard from Howard Mills, Superintendent, New York Insurance Department; Lawrence H. Mirel, Commissioner, Department of Insurance and Securities, District of Columbia; and public witnesses.

BRAC AND BEYOND

Committee on Government Reform: Held a hearing entitled “BRAC and Beyond: An Examination of the Rationale Behind Federal Security Standards for Leased Space.” Testimony was heard from Representative Moran of Virginia; Dwight M. Williams, Chief Security Officer, Department of Homeland Security; F. Joseph Moravec, Commissioner, Public Buildings Service, GSA; John Jester; and the following officials of the Department of Defense: John Jester, Director, Pentagon Force Protection Agency; and Get Moy, Director, Installation Requirements and Management.

HYDROGEN ECONOMY

Committee on Government Reform: Subcommittee on Energy and Resources held a hearing entitled “The Hydrogen Economy: Is it Attainable? When?” Testimony was heard from Douglas L. Faulkner, Acting Secretary, Energy Efficiency and Renewable Energy, Department of Energy; Richard M. Russell, Associate Director, Technology, Office of Science and Technology Policy; Alan Lloyd, Secretary, Environmental Protection Agency, State of California; and public witnesses.

IMPROVE HEALTHCARE USING INFORMATION TECHNOLOGY

Committee on Government Reform: Subcommittee on Federal Workforce and Agency Organization held a hearing entitled “Is There a Doctor in the Mouse?: Using Information Technology to Improve Healthcare.” Testimony was heard from Representative Kennedy of Rhode Island; Linda M. Springer, Director, OPM; the following officials of the Department of Health and Human Services: David Brailer, M.D., National Health Information Technology Coordinator; and Caroline Clancy, M.D., Director, Agency for Health Care Research and Quality; and public witnesses.

DHS IN TRANSITION

Committee on Government Reform: Subcommittee on Government Management, Finance, and Accountability held a hearing entitled “DHS in Transition—Are Financial Management Problems Hindering Mission Effectiveness?” Testimony was heard from the following officials of the Department of Homeland Security: Janet Hale, Under Secretary, Management; Andrew Maner, Chief Financial Officer; and Richard Skinner, Acting Inspector General; and Linda
Combs, Controller, Office of Federal Financial Management, OMB.

REGULATORY REFORM

Committee on Government Reform: Subcommittee on Regulatory Affairs held a hearing entitled “Regulatory Reform: Are Regulations Hindering Our Competitiveness?” Testimony was heard from Representatives Hayworth, Kelly, Ney, Miller of Michigan, Lynch and Westmoreland; J. Christopher Mihm, Managing Director, Strategic Issues, GAO; Curtis W. Copeland, Specialist in American National Government, CRS, Library of Congress; and public witnesses.

BORDER SECURITY SYSTEM’S INTEGRITY—FEDERAL-STATE PARTNERSHIPS

Committee on Homeland Security: Subcommittee on Management, Integration, and Oversight held a hearing entitled “The 287(g) Program: Ensuring the Integrity of America’s Border Security System through Federal-State Partnerships.” Testimony was heard from Paul M. Kilcoyne, Deputy Assistant Director, Office of Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security; Mark F. Dubina, Special Agent Supervisor, Tampa Bay Regional Operations Center, Department of Law Enforcement, State of Florida; Charles E. Andrews, Chief, Administrative Division, Department of Public Safety, State of Alabama; and public witnesses.

UKRAINE

Committee on International Relations: Subcommittee on Europe and Emerging Threats held a hearing on Ukraine: Developments in the Aftermath of the Orange Revolution. Testimony was heard from Daniel Fried, Assistant Secretary, Bureau for European and Eurasian Affairs, Department of State; and public witnesses.

ENERGY SECURITY—TERRORIST THREATS

Committee on International Relations: Subcommittee on International Terrorism and Nonproliferation held a hearing on Terrorist Threats to Energy Security. Testimony was heard from public witnesses.

SYRIA AND THE UN OIL-FOR-FOOD PROGRAM

Committee on International Relations: Subcommittee on Oversight and Investigation and the Subcommittee on the Middle East and Central Asia held a joint hearing on Syria and the United Nations Oil-for-Food Program. Testimony was heard from Elizabeth L. Dibble, Deputy Assistant Secretary, Bureau of Near Eastern Affairs, Department of State; Dwight Sparlin, Director, Operations, Policy, and Support, Criminal Investigation Division, IRS, Department of the Treasury; and a public witness.

U.S. DIPLOMACY IN LATIN AMERICA

Committee on International Relations: Subcommittee on Western Hemisphere held a hearing on U.S. Diplomacy in Latin America. Testimony was heard from the following officials of the Department of State: Roger Noriega, Assistant Secretary, Bureau of Western Hemisphere Affairs, Department of State; John Maisto, U.S. Representative on the Council of the OAS, Department of State; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered favorably reported the following measures: H.R. 3132, Children’s Safety Act of 2005; H.R. 3402, Department of Justice Appropriations Authorization Act, Fiscal Years 2006 through 2009; H. Res. 356, Requesting that the President focus appropriate attention on neighborhood crime prevention and community policing, and coordinate certain Federal efforts to participate in “National Night Out,” which occurs the first Tuesday of August each year, including by supporting local efforts and community watch groups and by supporting local officials, to promote community safety and help provide homeland security; H. Res. 378, Recognizing and honoring the 15th anniversary of the signing of the Americans with Disabilities Act of 1990; H. Con. Res. 216, Expressing the sense of the Congress that, as Congress observes the 40th anniversary of the Voting Rights Act of 1965 and encourages all Americans to do the same, it will advance the legacy of the Voting Rights Act of 1965 by ensuring the continued effectiveness of the Act to protect the voting rights of all Americans; and H. Con. Res. 208, Recognizing the 50th anniversary of Rosa Louise Parks’ refusal to give up her seat on the bus and the subsequent desegregation of American society.

CONFERENCE REPORT—ENERGY POLICY ACT OF 2005

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 6, Energy Policy Act of 2005, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Chairman Barton of Texas and Representative Dingell.
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CONFERENCE REPORT—INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 2361, making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Representatives Taylor of North Carolina and Dicks.

CONFERENCE REPORT—LEGISLATIVE BRANCH APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 2985, making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Chairman Lewis of California.

INTERNATIONAL MULTI-YEAR BUDGETING COMPARATIVE STUDY

Committee on Rules: Subcommittee on Legislative and Budget Process held a hearing on A Comparative Study of International Multi-Year Budgeting. Testimony was heard from Barry Anderson, former Deputy Director, CBO; and public witnesses.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Committee on Rules: Granted, by voice vote, a rule providing that suspensions will be in order at any time on the legislative day of Thursday, July 28, 2005. The rule provides that the Speaker or his designee shall consult with the Minority Leader or her designee on any suspension considered under the rule.

SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE RULES COMMITTEE

Committee on Rules: Granted, by voice vote, a rule waiving clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee. The rule applies the waiver to any special rule reported on the legislative day of July 28, 2005, providing for consideration or disposition of a conference report to accompany the bill (H.R. 3) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.

SBA'S VENTURE CAPITAL PROGRAM

Committee on Small Business: Held a hearing on the importance of amending the Small Business Investment Act of 1958 to establish a participating debenture program to assist small businesses in gaining access to much needed capital. Testimony was heard from Jaime A. Guzman-Fournier, Associate Administrator, Investment, SBA; and a public witness.

BIOTECHNOLOGY INDUSTRY IMPORTANCE

Committee on Small Business: Subcommittee on Rural Enterprises, Agriculture and Technology, hearing entitled “The Importance of the Biotechnology Industry and Venture Capital Support in Innovation.” Testimony was heard from public witnesses.

OVERSIGHT—POST TRAUMATIC STRESS DISORDER

Committee on Veterans’ Affairs: Held an oversight hearing on the Department of Defense and the Department of Veterans Affairs: The Continuum of Care for Post Traumatic Stress Disorder. Testimony was heard from the following officials of the Department of Defense: COL Charles W. Hoge, M.D., Chief of Psychiatry and Behavior Sciences, Division of Neurosciences, Walter Reed Army Institute of Research; LTC Charles C. Engle, Jr., M.D., Chief, DoD Deployment Health Clinical Center, Walter Reed Army Medical Center, both with the U.S. Army; and Michael E. Kilpatrick, M.D. Deputy Under Secretary, Health, Veterans Health Administration; and Mark Shelhorse, M.D., Deputy Chief Patient Care Services Officer for Mental Health and Chief Medical Officer for VISN 6; representatives of veterans organizations; and public witnesses.

VETERANS MEASURES


VETERANS LEGISLATION

Committee on Veterans’s Affairs: Subcommittee on Economic Opportunity held a hearing on the following:
H.R. 3082, Veteran-Owned Small Business Promotion Act of 2005; H.R. 1773, Native American Veteran Home Loan Act; a measure to Establish an Office of Disabled Veterans Sports and Special Events; a measure to require the Veterans' Employment and Training Service to Establish Qualification Standards for Disabled Veteran Outreach Specialists and Local Veteran Employment Representatives; a measure to increase the Disabled Veteran Adaptive Housing Grant; and a measure to Provide for a Disabled Veteran Transitional Housing Grant. Testimony was heard from Delegate Faleomavaega; John M. McWilliam, Deputy Assistant Secretary, Operations and Management, Veterans' Employment and Training Service, Department of Labor; Keith Pedigo, Director, Loan Guaranty Service, Veterans Benefits Administration, Department of Veterans Affairs; and representatives of veterans organizations.

HEALTH CARE INFORMATION TECHNOLOGY

Committee on Ways and Means: Subcommittee on Health held a hearing on Health Care Information Technology (IT). Testimony was heard from David Brailler, M.D., National Coordinator, Health Information Technology, Department of Health and Human Services; and public witnesses.

GLOBAL MISSILE THREATS

Permanent Select Committee on Intelligence: Subcommittee on Technical and Tactical Intelligence met in executive session to hold a hearing on Global Missile Threats. Testimony was heard from departmental witnesses.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, p. D 807)

H.R. 3071, to permit the individuals currently serving as Executive Director, Deputy Executive Directors, and General Counsel of the Office of Compliance to serve one additional term. Signed on July 27, 2005. (Public Law 109–38)

COMMITTEE MEETINGS FOR THURSDAY, JULY 28, 2005

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services: to hold hearings to examine the nominations of Lieutenant General Norton A. Schwartz, USAF, for appointment to the grade of general and to be Commander, U.S. Transportation Command, Ronald M. Sega, of Colorado, to be Under Secretary of the Air Force, Phillip Jackson Bell, of Georgia, to be Deputy Under Secretary for Logistics and Materiel Readiness, and John G. Grimes, of Virginia, to be Assistant Secretary for Networks and Information Integration, both of the Department of Defense, Keith E. Eastin, of Texas, to be Assistant Secretary of the Army for Installations and Environment, and William Anderson, of Connecticut, to be Assistant Secretary of the Air Force for Installations, Environment and Logistics, 9:30 a.m., SD–106.

Committee on Banking, Housing, and Urban Affairs: business meeting to mark up the nominations of Christopher Cox, of California, Roel C. Campos, of Texas, to be a Member of the Securities and Exchange Commission, and Annette L. Nazareth, of the District of Columbia, each to be a Member of the Securities and Exchange Commission, John C. Dugan, of Maryland, to be Comptroller of the Currency, and John M. Reich, of Virginia, to be Director of the Office of Thrift Supervision, both of the Department of the Treasury, Martin J. Gruenberg, of Maryland, to be Member and Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, S. 705, to establish the Interagency Council on Meeting the Housing and Service Needs of Seniors, H.R. 804, to exclude from consideration as income certain payments under the national flood insurance program, S. 1047, to require the Secretary of the Treasury to mint coins in commemoration of each of the Nation's past Presidents and their spouses, respectively to improve circulation of the $1 coin, to create a new bullion coin, and S. 190, to address the regulation of secondary mortgage market enterprises, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: business meeting to consider S. 1408, to strengthen data protection and safeguards, require data breach notification, and further prevent identity theft, 10 a.m., SR–253.

Full Committee, to hold hearings to examine issues related to MGM v. Grokster and the appropriate balance between copyright protection and communications technology innovation, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: Subcommittee on National Parks, to hold hearings to examine S. 584 and H.R. 432, bills to require the Secretary of the Interior to allow the continued occupancy and use of certain land and improvements within Rocky Mountain National Park, S. 652, to provide financial assistance for the rehabilitation of the Benjamin Franklin National Memorial in Philadelphia, Pennsylvania, and the development of an exhibit to commemorate the 300th anniversary of the birth of Benjamin Franklin, S. 958, to amend the National Trails System Act to designate the Star-Spangled Banner Trail in the States of Maryland and Virginia and the District of Columbia as a National Historic Trail, S. 1154, to extend the Acadia National Park Advisory Commission, to provide improved visitor services at the park, S. 1166, to extend the authorization of the Kalaupapa National Historical Park Advisory Commission, and S. 1346, to direct the Secretary of the Interior to conduct a study of maritime sites in the State of Michigan, 10 a.m., SD–366.

Committee on Indian Affairs: to hold oversight hearings to examine the implementation of the Native American Graves Protection and Repatriation Act (P.L. 101–601), 9:30 a.m., SR–485.
Committee on the Judiciary: business meeting to consider S. 1088, to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, S. 103, to respond to the illegal production, distribution, and use of methamphetamine in the United States, proposed Personal Data Privacy and Security Act of 2005, S. 751, to require Federal agencies, and persons engaged in interstate commerce, in possession of data containing personal information, to disclose any unauthorized acquisition of such information, S. 1326, to require agencies and persons in possession of computerized data containing sensitive personal information, to disclose security breaches where such breach poses a significant risk of identity theft, S. 155, to increase and enhance law enforcement resources committed to investigation and prosecution of violent gangs, to deter and punish violent gang crime, to protect law-abiding citizens and communities from violent criminals, to revise and enhance criminal penalties for violent crimes, to reform and facilitate prosecution of juvenile gang members who commit violent crimes, to expand and improve gang prevention programs, S. 1086, to improve the national program to register and monitor individuals who commit crimes against children or sex offenses, S. 956, to amend title 18, United States Code, to provide assured punishment for violent crimes against children, S. 1197, to reauthorize the Violence Against Women Act of 1994, and certain committee matters, 9:30 a.m., SD–226.

Committee on Veterans' Affairs: business meeting to consider the nominations of James Philip Terry, of Virginia, to be Chairman of the Board of Veterans' Appeals, and Charles S. Ciccolella, of Virginia, to be Assistant Secretary of Labor for Veterans' Employment and Training, both of the Department of Veterans' Affairs, and S. 1182, to amend title 38, United States Code, to improve healthcare services provided by veterans, S. 716, to amend title 38, United States Code, to provide veterans' law centers, to clarify and improve the provision of bereavement counseling by the Department of Veterans Affairs, S. 1234, to increase, effective as of December 1, 2005, the rates of compensation for veterans with service-connected disabilities, and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and S. 1235, to amend chapters 19 and 37 of title 38, United States Code, to extend the availability of $400,000 in coverage under the servicemembers' life insurance and veterans' group life insurance programs, 9:30 a.m., SR–418.

House

Committee on Armed Services, Subcommittee on Terrorism, Unconventional Threats and Capabilities and the Subcommittee on Oversight and Investigations of the Committee on Financial Services, joint hearing on the financing of the Iraqi insurgency, 2 p.m., 2118 Rayburn.


Committee on Government Reform, hearing entitled “Keeping Metro on Track: The Federal Government’s Role in Balancing Investment with Accountability at Washington’s Transit Agency,” 10 a.m., 2154 Rayburn.


Subcommittee on Prevention of Nuclear and Biological Attack, hearing entitled “Implementing the National Biodefense Strategy,” 2 p.m., 1309 Longworth.

Committee on House Administration, hearing on Accessibility of the House Complex for Persons with Special Needs, 10 a.m., 1310 Longworth.

Committee on International Relations, hearing on Lebanon Reborn? Defining National Priorities and Prospects for Democratic Renewal in the Wake of March 14, 2005, 10:30 a.m., 2172 Rayburn.

Subcommittee on Africa, Global Human Rights and International Operations, hearing on China’s Influence in Africa, 2:30 p.m., 2172 Rayburn.


Committee on Resources, Subcommittee on Energy and Minerals, oversight hearing on Sustainable Development Opportunities in Mining Communities, Part II, 10 a.m., 1334 Longworth.

Subcommittee on Water and Power, oversight hearing on Implementation of the Westside Regional Drainage Plan as a Way to Improve San Joaquin River Water Quality, 2 p.m., 1324 Longworth.

Committee on Ways and Means, Subcommittee on Select Revenue Measures, hearing on Member Proposals for Tax Reform, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive briefing on Global Updates, 9 a.m., H–405 Capitol.

Subcommittee on Oversight, hearing on DNI Status, 10 a.m., H–140 Capitol.

Joint Meetings

Joint Economic Committee: to hold hearings to examine alternative automotive technologies and energy efficiency, 10 a.m., 2226 RHOB.
Extensions of Remarks, as inserted in this issue

Gutierrez, Luis V., Ill., E1625
Harris, Katherine, Fla., E1627
Hastings, Alcee L., Fla., E1605, E1606
Hensarling, Jeb, Tex., E1613
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Issa, Darrell E., Calif., E1608
Jefferson, William J., La., E1610
Johnson, Eddie Bernice, Tex., E1628
Kucinich, Dennis J., Ohio, E1621, E1622, E1624
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Moran, James P., Va., E1621
Musgrave, Marilyn N., Colo., E1612
Myrick, Sue Wilkins, N.C., E1628
Neugebauer, Randy, Tex., E1627
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Ortiz, Solomon P., Tex., E1612
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Porter, Jon C., Nev., E1614
Rahall, Nick J., W.Va., E1606, E1613
Ramstad, Jim, Minn., E1628
Rangel, Charles B., N.Y., E1614, E1614, E1616, E1617
Rehberg, Dennis R., Mont., E1618
Reyes, Silvestre, Tex., E1607
Rogers, Mike, Ala., E1608
Saxton, Jim, N.J., E1607
Schakowsky, Janice D., Ill., E1605, E1625
Sessions, Pete, Tex., E1611
Shays, Christopher, Conn., E1612
Shuster, Bill, Pa., E1609
Taylor, Charles H., N.C., E1610
Tiberi, Patrick J., Ohio, E1611
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Udall, Mark, Colo., E1622, E1624
Van Hollen, Chris, Md., E1607
Weldon, Dave, Fla., E1609
Wilson, Joe, S.C., E1608

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Congressional Record — DAILY DIGEST

July 27, 2005

Next Meeting of the SENATE

9:30 a.m., Thursday, July 28

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 60 minutes), Senate will continue consideration of S. 397, Protection of Lawful Commerce in Arms Act and vote on, or in relation to, Kohl Amendment No. 1626, after one hour for debate.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, July 28

House Chamber

Program for Thursday: To be announced.