

110TH CONGRESS
2D SESSION

H. R. 6161

To provide for American energy independence by July 4, 2015.

IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2008

Mr. ROGERS of Michigan introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Natural Resources, Transportation and Infrastructure, Rules, and Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for American energy independence by July 4,
2015.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “American Energy Independence Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—PASSENGER AUTOMOBILE REPLACEMENT CREDIT

Sec. 101. Passenger automobile replacement credit.

TITLE II—ENERGY EFFICIENT SERVER COMPUTER CREDIT

Sec. 201. Energy efficient server computer credit.

TITLE III—LOAN GUARANTEES FOR ADVANCED CONSERVATION
AND FUEL EFFICIENCY MOTOR VEHICLE TECHNOLOGY
PROJECTS

Sec. 301. Authority.

Sec. 302. Amount.

TITLE IV—TRANSPORTATION TECHNOLOGY

Sec. 401. Addition to CMAQ-eligible projects.

TITLE V—COAL-TO-LIQUID AVIATION FUEL

Sec. 501. Aviation fuel produced from clean coal and alternative and unconventional domestic feedstocks for civilian and military aircraft.

TITLE VI—NUCLEAR ENERGY

Sec. 601. Incentives for innovative technologies.

Sec. 602. Standby support for certain nuclear plant delays.

Sec. 603. Authorization for nuclear power 2010 program.

Sec. 604. Domestic manufacturing base for nuclear components and equipment.

Sec. 605. Nuclear energy workforce.

Sec. 606. Licensing of new nuclear power plants.

Sec. 607. Investment tax credit for investments in nuclear power facilities.

Sec. 608. National Nuclear Energy Council.

Sec. 609. Temporary spent nuclear fuel storage agreements.

Sec. 610. Implementation of temporary spent nuclear fuel storage agreements.

Sec. 611. Expedited procedures for congressional review of temporary spent nuclear fuel storage agreements.

Sec. 612. Contracting and Nuclear Waste Fund.

Sec. 613. Confidence in availability of waste disposal.

TITLE VII—ENERGY PRODUCTION AND CONSERVATION TAX
INCENTIVES

Sec. 700. Amendment of 1986 Code.

Subtitle A—Extension of Clean Energy Production Incentives

Sec. 701. Extension and modification of renewable energy production tax credit.

Sec. 702. Extension and modification of solar energy and fuel cell investment tax credit.

Sec. 703. Extension and modification of residential energy efficient property credit.

Sec. 704. Extension and modification of credit for clean renewable energy bonds.

Sec. 705. Extension of special rule to implement FERC restructuring policy.

Subtitle B—Extension of Incentives to Improve Energy Efficiency

Sec. 711. Extension and modification of credit for energy efficiency improvements to existing homes.

- Sec. 712. Extension and modification of tax credit for energy efficient new homes.
- Sec. 713. Extension and modification of energy efficient commercial buildings deduction.
- Sec. 714. Modification and extension of energy efficient appliance credit for appliances produced after 2007.

TITLE VIII—REPEAL OF LIMITATION ON TAX CREDIT FOR
EFFICIENT WINDOWS

- Sec. 801. Repeal of separate dollar limitation applicable to efficient windows under the nonbusiness energy property credit.

TITLE IX—NEW DOMESTIC SUPPLIES OF OIL AND GAS

Subtitle A—Arctic National Wildlife Refuge

- Sec. 901. Short title.
- Sec. 902. Definitions.
- Sec. 903. Leasing program for lands within the Coastal Plain.
- Sec. 904. Lease sales.
- Sec. 905. Grant of leases by the Secretary.
- Sec. 906. Lease terms and conditions.
- Sec. 907. Coastal plain environmental protection.
- Sec. 908. Expedited judicial review.
- Sec. 909. Federal and State distribution of revenues.
- Sec. 910. Rights-of-way across the Coastal Plain.
- Sec. 911. Conveyance.
- Sec. 912. Local government impact aid and community service assistance.

Subtitle B—Offshore Oil and Gas

- Sec. 921. Termination of moratoria on leasing and permitting.

TITLE X—CLIMATE CHANGE RESEARCH AND DEVELOPMENT
FUNDING

- Sec. 1001. Applied research.

1 **TITLE I—PASSENGER AUTO-**
2 **MOBILE REPLACEMENT**
3 **CREDIT**

4 **SEC. 101. PASSENGER AUTOMOBILE REPLACEMENT CRED-**
5 **IT.**

6 (a) IN GENERAL.—Subpart C of part IV of sub-
7 chapter A of chapter 1 of the Internal Revenue Code of
8 1986 is amended by redesignating section 36 as section

1 37 and by inserting after section 35 the following new sec-
2 tion:

3 **“SEC. 36. PASSENGER AUTOMOBILE REPLACEMENT CRED-**
4 **IT.**

5 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
6 dividual, there shall be allowed as a credit against the tax
7 imposed by this subtitle an amount equal to the amount
8 paid or incurred by the taxpayer during the taxable year
9 for a new passenger automobile in connection with a quali-
10 fied trade-in.

11 “(b) LIMITATIONS.—

12 “(1) DOLLAR LIMITATION.—The credit allowed
13 under this section shall not exceed \$1,500 with re-
14 spect to any taxpayer for any taxable year.

15 “(2) NO CREDIT WITH RESPECT TO AUTO-
16 MOBILE MANUFACTURERS OUT OF COMPLIANCE
17 WITH CAFÉ STANDARDS.—No credit shall be allowed
18 under subsection (a) with respect to the purchase of
19 any new passenger automobile if a penalty was im-
20 posed under chapter 329 of title 49, United States
21 Code, with respect to the manufacturer of such new
22 passenger automobile at any time during the 1-year
23 period ending on the date of such purchase.

24 “(c) QUALIFIED TRADE-IN.—For purposes of this
25 section—

1 “(1) IN GENERAL.—The term ‘qualified trade-
2 in’ means, with respect to the purchase of any new
3 passenger automobile, the transfer of a qualified
4 used automobile to the dealer from whom such new
5 passenger automobile is purchased as part of the
6 same transaction as such purchase.

7 “(2) QUALIFIED USED AUTOMOBILE.—The
8 term ‘qualified used automobile’ means any pas-
9 senger automobile which was originally placed in
10 service at least 15 years before the date of the quali-
11 fied trade-in and title to which has been held by the
12 taxpayer at all times during the 2-year period ending
13 on the date of the qualified trade-in.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 6211(b)(4)(A) of the Internal Rev-
16 enue Code of 1986 is amended by striking “34,” and
17 all that follows through “6428” and inserting “34,
18 35, 36, 53(e), and 6428”.

19 (2) Section 1324(b)(2) of title 31, United
20 States Code, is amended by inserting “, 36,” after
21 “section 35”.

22 (3) The table of sections for subpart C of part
23 IV of subchapter A of chapter 1 of the Internal Rev-
24 enue Code of 1986 is amended by redesignating the
25 item relating to section 36 as an item relating to

1 section 37 and by inserting before such item the fol-
2 lowing new item:

“Sec. 36. Passenger automobile replacement credit.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **TITLE II—ENERGY EFFICIENT** 7 **SERVER COMPUTER CREDIT**

8 **SEC. 201. ENERGY EFFICIENT SERVER COMPUTER CREDIT.**

9 (a) IN GENERAL.—Subpart D of part IV of sub-
10 chapter A of chapter 1 of the Internal Revenue Code of
11 1986 (relating to business-related credits) is amended by
12 adding at the end the following new section:

13 **“SEC. 450. ENERGY EFFICIENT SERVER COMPUTER CRED-** 14 **IT.**

15 “(a) GENERAL RULE.—For purposes of section 38,
16 the energy efficient server computer credit determined
17 under this section for the taxable year is an amount equal
18 to 20 percent of the amount paid or incurred by the tax-
19 payer during the taxable year for server computers which
20 meet the Energy Star program requirements and are used
21 in the taxpayer’s trade or business.

22 “(b) NO DOUBLE BENEFIT.—No deduction or credit
23 shall be allowed under any other provision of this chapter
24 with respect to the amount of the credit determined under
25 this section.”.

1 (b) CREDIT TO BE PART OF GENERAL BUSINESS
2 CREDIT.—Subsection (b) of section 38 of such Code (re-
3 lating to general business credit) is amended by striking
4 “plus” at the end of paragraph (30), by striking the period
5 at the end of paragraph (31) and inserting “, plus” , and
6 by adding at the end the following new paragraph:

7 “(32) the energy efficient server computer cred-
8 it determined under section 45O(a).”.

9 (c) CLERICAL AMENDMENT.—The table of sections
10 for subpart D of part IV of subchapter A of chapter 1
11 of such Code is amended by inserting after the item relat-
12 ing to section 45N the following new item:

“Sec. 45O. Energy efficient server computer credit.”.

13 (d) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to taxable years beginning after
15 the date of the enactment of this Act.

16 **TITLE III—LOAN GUARANTEES**
17 **FOR ADVANCED CONSERVA-**
18 **TION AND FUEL EFFICIENCY**
19 **MOTOR VEHICLE TECH-**
20 **NOLOGY PROJECTS**

21 **SEC. 301. AUTHORITY.**

22 Section 1703 of the Energy Policy Act of 2005 (42
23 U.S.C. 16513) is amended by adding at the end the fol-
24 lowing new subsection:

1 “(f) FUEL EFFICIENT VEHICLE PROJECTS.—The
2 Secretary shall make guarantees under this title to motor
3 vehicle manufacturers and suppliers in the United States
4 for advanced conservation and fuel efficiency motor vehicle
5 technology projects for the production of new motor vehi-
6 cles that do not exceed 10,000 lbs. gross vehicle weight,
7 including gasoline and diesel vehicles, flexible fuel vehicles,
8 and hybrid electric vehicles, that reduce dependence on oil
9 and the emissions of one or more greenhouse gases.”.

10 **SEC. 302. AMOUNT.**

11 Section 1702(c) of the Energy Policy Act of 2005 (42
12 U.S.C. 16512(c)) is amended by adding at the end the
13 following: “In the case of advanced conservation and fuel
14 efficiency motor vehicle technology projects under section
15 1703(f), the aggregate amount of guarantees under this
16 title shall not exceed \$20,000,000,000.”.

17 **TITLE IV—TRANSPORTATION**
18 **TECHNOLOGY**

19 **SEC. 401. ADDITION TO CMAQ-ELIGIBLE PROJECTS.**

20 (a) IN GENERAL.—Section 149(b) of title 23, United
21 States Code, is amended—

22 (1) by striking “or” at the end of paragraph
23 (6);

24 (2) by striking the period at the end of para-
25 graph (7) and inserting “; or”; and

1 (3) by inserting after paragraph (7) the fol-
2 lowing:

3 “(8) if the project or program is for operation
4 and maintenance of intelligent transportation system
5 strategies that serve a nonattainment or mainte-
6 nance area.”.

7 (b) APPLICABILITY.—The amendment made by sub-
8 section (a) shall take effect on October 1, 2008.

9 **TITLE V—COAL-TO-LIQUID**
10 **AVIATION FUEL**

11 **SEC. 501. AVIATION FUEL PRODUCED FROM CLEAN COAL**
12 **AND ALTERNATIVE AND UNCONVENTIONAL**
13 **DOMESTIC FEEDSTOCKS FOR CIVILIAN AND**
14 **MILITARY AIRCRAFT.**

15 (a) ESTABLISHMENT OF ALTERNATIVE JET FUEL
16 PROGRAM.—From amounts made available under section
17 48102(a) of title 49, United States Code, the Secretary
18 of Transportation, in consultation with the Secretary of
19 the Air Force, shall establish a program related to devel-
20 oping jet fuel produced from clean coal and from alter-
21 native and unconventional domestic feedstocks. The pro-
22 gram shall include participation by educational and re-
23 search institutions that have existing facilities and experi-
24 ence in the development and deployment of technologies

1 that process coal and alternative and unconventional do-
2 mestic feedstocks into aviation fuel.

3 (b) PROGRAM REQUIREMENTS.—Any alternative jet
4 fuel program established by a Federal agency, including
5 the program established under subsection (a) and the De-
6 partment of the Air Force alternative jet fuel program,
7 may include grants, reimbursable agreements, long-term
8 contracts, and other instruments authorized under section
9 106(l)(6) of title 49, United States Code. Such program
10 may include long-term contracts or agreements for the ac-
11 quisition of alternative jet fuel, but only if such contracts
12 or agreements are—

13 (1) for a term of not more than 25 years;

14 (2) at a price that is competitive, throughout
15 the term of the contract or agreement, with the mar-
16 ket price of petroleum-derived aviation fuel of simi-
17 lar quality; and

18 (3) for a fuel that has lower lifecycle green-
19 house gas emissions as compared to the lifecycle
20 greenhouse gas emissions of the petroleum-based
21 aviation fuel that was displaced.

22 (c) CLARIFICATION.—In the case of a Federal agency
23 agreement for alternative jet fuel, the lifecycle greenhouse
24 gas emissions associated with the production and combus-
25 tion of the fuel supplied under the contract shall be consid-

1 ered to be less than such emissions from the equivalent
2 conventional fuel produced from conventional petroleum
3 sources if such emissions are determined to be lower—

4 (1) by peer-reviewed research conducted or re-
5 viewed by a national laboratory; or

6 (2) by the head of the Federal agency, based on
7 available research and testing.

8 (d) DESIGNATION OF INSTITUTION AS A CENTER OF
9 EXCELLENCE.—Not later than 180 days after the date
10 of enactment of this Act, the Administrator of the Federal
11 Aviation Administration shall designate an institution de-
12 scribed in subsection (a) as a Center for Excellence for
13 Coal-to-Jet-Fuel Research.

14 (e) TAX CREDIT FOR ALTERNATIVE AND UNCONVEN-
15 TIONAL AVIATION FUEL MIXTURE.—

16 (1) IN GENERAL.—Section 6426 of the Internal
17 Revenue Code of 1986 is amended by adding at the
18 end the following new subsection:

19 “(i) ALTERNATIVE AND UNCONVENTIONAL AVIATION
20 FUEL MIXTURE.—

21 “(1) IN GENERAL.—For purposes of this sec-
22 tion, the alternative and unconventional aviation fuel
23 mixture credit is the product of 50 cents and the
24 number of gallons of alternative and unconventional
25 aviation fuel used by the taxpayer in producing any

1 alternative and unconventional aviation fuel mixture
2 for sale or use in a trade or business of the tax-
3 payer.

4 “(2) ALTERNATIVE AND UNCONVENTIONAL
5 AVIATION FUEL MIXTURE.—For purposes of this
6 subsection, the term ‘alternative and unconventional
7 aviation fuel mixture’ means a mixture of alternative
8 and unconventional aviation fuel and aviation-grade
9 kerosene which—

10 “(A) is sold by the taxpayer producing
11 such mixture to any person for use as a fuel;
12 or

13 “(B) is used as a fuel by the taxpayer pro-
14 ducing such mixture.

15 “(3) ALTERNATIVE AND UNCONVENTIONAL
16 AVIATION FUEL.—For purposes of this subsection,
17 the term ‘alternative and unconventional aviation
18 fuel’ means aviation fuel that is produced from un-
19 conventional resources (including coal, natural gas,
20 biomass, ethanol, butanol, and hydrogen) and is de-
21 termined, through peer-reviewed research conducted
22 or reviewed by a national laboratory, or by the head
23 of a Federal agency, would produce lower lifecycle
24 greenhouse gas emissions, as compared to the

1 lifecycle greenhouse gas emissions of the displaced
2 aviation fuel.

3 “(4) TERMINATION.—This subsection shall not
4 apply to any sale or use for any period after Decem-
5 ber 31, 2016.”.

6 (2) CONFORMING AMENDMENT.—Section
7 6426(a)(1) of the Internal Revenue Code of 1986 is
8 amended by striking “and (e)” and inserting “(e),
9 and (i)”.

10 (3) EFFECTIVE DATE.—The amendments made
11 by this subsection shall apply to any sale or use
12 after the date of the enactment of this Act.

13 (f) SENSE OF CONGRESS.—It is the sense of Con-
14 gress that the Department of Transportation, Federal
15 Aviation Administration, Department of the Air Force,
16 and other Federal agencies should continue research, test-
17 ing, evaluation, and use of alternative fuels as defined in
18 this section with the goals of—

19 (1) reducing emissions;

20 (2) lowering the cost of aviation fuel; and

21 (3) increasing the performance, reliability, and
22 security of aviation fuel production and supply.

1 **TITLE VI—NUCLEAR ENERGY**

2 **SEC. 601. INCENTIVES FOR INNOVATIVE TECHNOLOGIES.**

3 (a) DEFINITION OF PROJECT COST.—Section
4 1701(1) of the Energy Policy Act of 2005 (42 U.S.C.
5 16511(1)) is amended by inserting a new paragraph (4)
6 and renumbering the paragraphs accordingly:

7 “(4) PROJECT COST.—The term ‘project cost’
8 means all costs associated with the development,
9 planning, design, engineering, permitting and licens-
10 ing, construction, commissioning, start-up, shake-
11 down and financing of the facility, including but not
12 limited to reasonable escalation and contingencies,
13 the cost of and fees for the guarantee, reasonably re-
14 quired reserve funds, initial working capital and in-
15 terest during construction.”.

16 (b) TERMS AND CONDITIONS.—Section 1702 of the
17 Energy Policy Act of 2005 (42 U.S.C. 16512) is amended
18 by striking subsections (b) and (c) and inserting the fol-
19 lowing:

20 “(b) SPECIFIC APPROPRIATION OR CONTRIBU-
21 TION.—

22 “(1) IN GENERAL.—No guarantee shall be
23 made unless—

24 “(A) an appropriation for the cost has
25 been made; or

1 “(B) the Secretary has received from the
2 borrower a payment in full for the cost of the
3 obligation and deposited the payment into the
4 Treasury; or

5 “(C) a combination of (A) and (B) has
6 been made, that when combined is sufficient to
7 cover the cost of the obligation.

8 “(2) RELATION TO OTHER LAWS.—Section 504
9 (b) of the Federal Credit Reform Act of 1990 (2
10 U.S.C. 661c (b)) shall not apply to a loan guarantee
11 made in accordance with paragraph (1)(B).”.

12 (c) AMOUNT.—Section 1702 of the Energy Policy Act
13 of 2005 (42 U.S.C. 16512) is amended by striking sub-
14 section (c) and inserting the following:

15 “(c) AMOUNT.—

16 “(1) IN GENERAL.—Subject to paragraph (2),
17 the Secretary shall guarantee 100 percent of the ob-
18 ligation for a facility that is the subject of the guar-
19 antee, or a lesser amount if requested by the bor-
20 rower.

21 “(2) LIMITATION.—The total amount of loans
22 guaranteed for a facility by the Secretary shall not
23 exceed 80 percent of the total cost of the facility, as
24 estimated at the time at which the guarantee is
25 issued.”.

1 (d) FEES.—Section 1702(h) of the Energy Policy Act
2 of 2005 (42 U.S.C. 16512(h)) is amended by striking
3 paragraph (2) and inserting the following:

4 “(2) AVAILABILITY.—Fees collected under this
5 subsection shall—

6 “(A) be deposited by the Secretary into a
7 special fund in the Treasury to be known as the
8 ‘Incentives For Innovative Technologies Fund’;
9 and

10 “(B) remain available to the Secretary for
11 expenditure, without further appropriation or
12 fiscal year limitation, for administrative ex-
13 penses incurred in carrying out this title.”.

14 **SEC. 602. STANDBY SUPPORT FOR CERTAIN NUCLEAR**
15 **PLANT DELAYS.**

16 (a) DEFINITIONS.—Section 638(a) of the Energy
17 Policy Act of 2005 (42 U.S.C. 16014(a)) is amended as
18 follows:

19 (1) By inserting the following:

20 “(4) FULL POWER OPERATION.—The term ‘full
21 power operation’ means whichever occurs first of—

22 “(A) the ‘commercial operation date’ or
23 the equivalent under the terms of the financing
24 documents for such facility, or

1 “(B) operation of such facility at an aver-
2 age of 50 percent or greater of nameplate ca-
3 pacity over any consecutive 30-day period.

4 “(5) INCREASED PROJECT COSTS.—The term
5 ‘increased project costs’ means the increased cost of
6 constructing, commissioning, testing, operating or
7 maintaining a reactor prior to full-power operation
8 incurred as a result of a delay covered by the con-
9 tract including but not limited to costs of demobili-
10 zation and remobilization, increased costs of equip-
11 ment, materials and labor due to delay (including
12 idle time), increased general and administrative
13 costs, and escalation costs for completing construc-
14 tion.

15 “(6) LITIGATION.—The term ‘litigation’ means
16 adjudication in Federal, State, local or tribal courts
17 and administrative proceedings or hearings at or be-
18 fore Federal, State, local or tribal agencies or ad-
19 ministrative bodies.”.

20 (2) By redesignating paragraph (4) as para-
21 graph (7).

22 (b) CONTRACT AUTHORITY.—Section 638(b) of the
23 Energy Policy Act of 2005 (42 U.S.C. §16014(b)) is
24 amended by striking paragraph (1) and inserting the fol-
25 lowing:

1 “(1) IN GENERAL.—The Secretary may enter
2 into contracts under this section with sponsors of an
3 advanced nuclear facility that cover at any one time
4 outstanding a total of not more than 6 reactors,
5 with the 6 reactors consisting of not more than 3
6 different reactor designs, in accordance with para-
7 graph (2). In the event that any contract entered
8 into under this section terminates or expires without
9 a claim being paid by the Secretary thereunder, then
10 the Secretary may enter into a new contract under
11 this section in replacement or substitution for such
12 contract.”.

13 (c) COVERED COSTS.—Section 638(d) of the Energy
14 Policy Act of 2005 (42. U.S.C. §16014(d)) is amended
15 by striking paragraphs (2) and (3) and inserting the fol-
16 lowing:

17 “(2) COVERAGE.—In the case of reactors that
18 receive combined licenses and on which construction
19 is commenced, the Secretary shall pay—

20 “(A) 100 percent of the covered costs of
21 delay that occur after the initial 30-day period
22 of covered delay; but

23 “(B) not more than \$500,000,000 per con-
24 tract.

1 “(3) COVERED DEBT OBLIGATIONS.—Debt obli-
2 gations covered under subparagraph (A) of para-
3 graph (5) shall include but not be limited to debt ob-
4 ligations incurred to pay increased project costs.”.

5 (d) DISPUTE RESOLUTION.—Section 638 of the En-
6 ergy Policy Act of 2005 (42 U.S.C. 16014) is amended
7 as follows:

8 (1) by inserting the following:

9 “(f) DISPUTE RESOLUTION.—Any controversy or
10 claim arising out of or relating to any contract entered
11 into under this section shall be determined by arbitration
12 in Washington, DC according to the then prevailing Com-
13 mercial Arbitration Rules of the American Arbitration As-
14 sociation. A decision by the arbitrator(s) shall be final and
15 binding, and any court having jurisdiction may enter judg-
16 ment on it.”; and

17 (2) by designating subsections (f), (g), and (h)
18 as subsections (g), (h), and (i) respectively.

19 **SEC. 603. AUTHORIZATION FOR NUCLEAR POWER 2010 PRO-**
20 **GRAM.**

21 Section 952(c) of the Energy Policy Act of 2005 (42
22 U.S.C. 16014) is amended by striking subsections (1) and
23 (2) and substituting the following:

24 (1) IN GENERAL.—The Secretary shall carry
25 out a Nuclear Power 2010 Program to position the

1 nation to start construction of new nuclear power
2 plants by 2010 or as close to 2010 as achievable.

3 (2) SCOPE OF PROGRAM.—The Nuclear Power
4 2010 Program shall be cost-shared with the private
5 sector and shall support the following objectives:

6 (A) Demonstrating the licensing process
7 for new nuclear power plants, including the Nu-
8 clear Regulatory Commission process for ob-
9 taining early site permits (EPS), combined con-
10 struction/operating licenses (cols), and design
11 certifications.

12 (B) Conducting first-of-a-kind design and
13 engineering work on at least two advanced nu-
14 clear reactor designs sufficient to bring those
15 designs to a state of design completion suffi-
16 cient to allow development of firm cost esti-
17 mates.

18 (3) AUTHORIZATION OF APPROPRIATIONS.—
19 There are authorized to be appropriated to the Sec-
20 retary to carry out the Nuclear Power 2010 Pro-
21 gram—

22 (A) \$182,800,000 for fiscal year 2008;

23 (B) \$159,600,000 for fiscal year 2009;

24 (C) \$135,600,000 for fiscal year 2010;

25 (D) \$46,900,000 for fiscal year 2011; and

1 (E) \$2,200,000 for fiscal year 2012.

2 **SEC. 604. DOMESTIC MANUFACTURING BASE FOR NUCLEAR**
3 **COMPONENTS AND EQUIPMENT.**

4 (a) ESTABLISHMENT OF INTERAGENCY WORKING
5 GROUP.—

6 (1) PURPOSES.—

7 (A) to increase the competitiveness of the
8 United States nuclear energy products and
9 services industries;

10 (B) to identify the stimulus or incentives
11 necessary to cause United States manufacturers
12 of nuclear energy products to expand manufac-
13 turing capacity;

14 (C) to facilitate the export of United
15 States nuclear energy products and services;

16 (D) to reduce the trade deficit of the
17 United States through the export of United
18 States nuclear energy products and services;

19 (E) to retain and create nuclear energy
20 manufacturing and related service jobs in the
21 United States;

22 (F) to integrate the objectives in para-
23 graphs (1) through (4) in a manner consistent
24 with the interests of the United States, into the
25 foreign policy of the United States; and

1 (G) to authorize funds for increasing
2 United States capacity to manufacture nuclear
3 energy products and supply nuclear energy
4 services.

5 (2) ESTABLISHMENT.—

6 (A) There shall be established an inter-
7 agency working group that, in consultation with
8 representative industry organizations and man-
9 ufacturers of nuclear energy products, shall
10 make recommendations to coordinate the ac-
11 tions and programs of the Federal Government
12 in order to promote increasing domestic manu-
13 facturing capacity and export of domestic nu-
14 clear energy products and services.

15 (B) The Interagency Working Group shall
16 be composed of—

17 (i) The Secretary of Energy, or the
18 Secretary's designee, shall chair the inter-
19 agency working group. The Secretary of
20 Energy shall provide staff for carrying out
21 the functions of the interagency working
22 group established under this section.

23 (ii) representatives of—

24 (I) the Department of Energy;

- 1 (II) the Department of Com-
2 merce;
- 3 (III) the Department of Defense;
- 4 (IV) the Department of Treas-
5 ury;
- 6 (V) the Department of State;
- 7 (VI) the Environmental Protec-
8 tion Agency;
- 9 (VII) the United States Agency
10 for International Development;
- 11 (VIII) the Export-Import Bank
12 of the United States;
- 13 (IX) the Trade and Development
14 Agency;
- 15 (X) the Small Business Adminis-
16 tration;
- 17 (XI) the Office of the U.S. Trade
18 Representative; and
- 19 (XII) other Federal agencies, as
20 determined by the President.
- 21 (iii) The heads of appropriate agencies
22 shall detail such personnel and furnish
23 such services to the interagency group,
24 with or without reimbursement, as may be

1 necessary to carry out the group's func-
2 tions.

3 (3) DUTIES OF THE INTERAGENCY WORKING
4 GROUP.—

5 (A) Within six months of enactment, the
6 interagency working group established under
7 section (1)(A) shall identify the actions nec-
8 essary to promote the safe development and ap-
9 plication in foreign countries of nuclear energy
10 products and services in order to—

11 (i) increase electricity generation from
12 nuclear energy sources through develop-
13 ment of new generation facilities;

14 (ii) improve the efficiency, safety and/
15 or reliability of existing nuclear generating
16 facilities through modifications; and

17 (iii) enhance the safe treatment, han-
18 dling, storage and disposal of used nuclear
19 fuel.

20 (B) Within 6 months of enactment, the
21 interagency working group shall identify mecha-
22 nisms (including, but not limited to, tax stim-
23 ulus for investment, loans and loan guarantees,
24 and grants) necessary for United States compa-
25 nies to increase their capacity to produce or

1 provide nuclear energy products and services,
2 and to increase their exports of nuclear energy
3 products and services. The interagency working
4 group shall identify administrative or legislative
5 initiatives necessary to—

6 (i) encourage United States compa-
7 nies to increase their manufacturing capaci-
8 ty for nuclear energy products;

9 (ii) provide technical and financial as-
10 sistance and support to small and mid-
11 sized businesses to establish quality assur-
12 ance programs in accordance with domestic
13 and international nuclear quality assurance
14 code requirements;

15 (iii) encourage, through financial in-
16 centives, private sector capital investment
17 to expand manufacturing capacity; and

18 (iv) provide technical assistance and
19 financial incentives to small and mid-sized
20 businesses to develop the work-force nec-
21 essary to increase manufacturing capacity
22 and meet domestic and international nu-
23 clear quality assurance code requirements.

24 (C) Within 9 months of enactment, the
25 interagency working group shall provide a re-

1 port to Congress on its findings under Section
2 (2)(A) and (B), including recommendations for
3 new legislative authority where necessary.

4 (4) TRADE ASSISTANCE.—The interagency
5 working group shall encourage the member agencies
6 of the interagency working group to—

7 (A) provide technical training and edu-
8 cation for international development personnel
9 and local users in their own country;

10 (B) provide financial and technical assist-
11 ance to nonprofit institutions that support the
12 marketing and export efforts of domestic com-
13 panies that provide nuclear energy products and
14 services;

15 (C) develop nuclear energy projects in for-
16 eign countries;

17 (D) provide technical assistance and train-
18 ing materials to loan officers of the World
19 Bank, international lending institutions, com-
20 mercial and energy attaches at embassies of the
21 United States and other appropriate personnel
22 in order to provide information about nuclear
23 energy products and services to foreign govern-
24 ments or other potential project sponsors;

1 (E) support, through financial incentives,
2 private sector efforts to commercialize and ex-
3 port nuclear energy products and services in ac-
4 cordance with the subsidy codes of the World
5 Trade Organization; and

6 (F) augment budgets for trade and devel-
7 opment programs in order to support
8 prefeasibility or feasibility studies for projects
9 that utilize nuclear energy products and serv-
10 ices.

11 (5) AUTHORIZATION OF APPROPRIATIONS.—

12 There are authorized to be appropriated to the Sec-
13 retary for purposes of carrying out this title
14 \$20,000,000 for fiscal years 2008 and 2009.

15 (b) CREDIT FOR QUALIFYING NUCLEAR POWER
16 MANUFACTURING.—Subpart E of part IV of subchapter
17 A of chapter 1 of the Internal Revenue Code is amended
18 by inserting after section 48B the following new section:
19 “**SEC. 48C. QUALIFYING NUCLEAR POWER MANUFAC-**
20 **TURING CREDIT.**

21 “(a) IN GENERAL.—For purposes of section 46, the
22 qualifying nuclear power manufacturing credit for any
23 taxable year is an amount equal to 20 percent of the quali-
24 fied investment for such taxable year.

25 “(b) QUALIFIED INVESTMENT.—

1 “(1) IN GENERAL.—For purposes of subsection
2 (a), the qualified investment for any taxable year is
3 the basis of eligible property placed in service by the
4 taxpayer during such taxable year—

5 “(A) which is either part of a qualifying
6 nuclear power manufacturing project or is
7 qualifying nuclear power manufacturing equip-
8 ment,

9 “(B)(i) the construction, reconstruction, or
10 erection of which is completed by the taxpayer,
11 or

12 “(ii) which is acquired by the taxpayer if
13 the original use of such property commences
14 with the taxpayer,

15 “(C) with respect to which depreciation (or
16 amortization in lieu of depreciation) is allow-
17 able, and

18 “(D) which is placed in service on or be-
19 fore December 31, 2015.

20 “(2) SPECIAL RULE FOR CERTAIN SUBSIDIZED
21 PROPERTY.—Rules similar to section 48(a)(4) shall
22 apply for purposes of this section.

23 “(3) CERTAIN QUALIFIED PROGRESS EXPENDI-
24 TURES RULES MADE APPLICABLE.—Rules similar to
25 the rules of subsections (c)(4) and (d) of section 46

1 (as in effect on the day before the enactment of the
2 Revenue Reconciliation Act of 1990) shall apply for
3 purposes of this section.

4 “(c) DEFINITIONS.—For purposes of this section—

5 “(1) QUALIFYING NUCLEAR POWER MANUFAC-
6 TURING PROJECT.—The term ‘qualifying nuclear
7 power manufacturing project’ means any project
8 which is designed primarily to enable the taxpayer to
9 produce or test equipment necessary for the con-
10 struction or operation of a nuclear power plant.

11 “(2) QUALIFYING NUCLEAR POWER MANUFAC-
12 TURING EQUIPMENT.—The term ‘qualifying nuclear
13 power manufacturing equipment’ means machine
14 tools and other similar equipment, including com-
15 puters and other peripheral equipment, acquired or
16 constructed primarily to enable the taxpayer to
17 produce or test equipment necessary for the con-
18 struction or operation of a nuclear power plant.

19 “(3) PROJECT.—The term ‘project’ includes
20 any building constructed to house qualifying nuclear
21 power manufacturing equipment.”.

22 (c) CONFORMING AMENDMENTS.—

23 (1) ADDITIONAL INVESTMENT CREDIT.—Sec-
24 tion 46 is amended by—

1 (A) striking “and” at the end of paragraph
2 (3);

3 (B) striking the period at the end of para-
4 graph (4) and inserting “, and”; and

5 (C) inserting after paragraph (4) the fol-
6 lowing new paragraph:

7 “(5) the qualifying nuclear power manufac-
8 turing credit.”.

9 (2) APPLICATION OF SECTION 49.—Subpara-
10 graph (C) of section 49(a)(1) is amended by—

11 (A) striking “and” at the end of clause
12 (iii);

13 (B) striking the period at the end of clause
14 (iv) and inserting “, and”; and

15 (C) inserting after clause (iv) the following
16 new clause:

17 “(v) the basis of any property which
18 is part of a qualifying nuclear power equip-
19 ment manufacturing project under section
20 48C.”.

21 (3) TABLE OF SECTIONS.—The table of sections
22 preceding section 46 is amended by inserting after
23 the line for section 48B the following new line:

“Sec. 48C. Qualifying nuclear power manufacturing credit.”.

24 (d) EFFECTIVE DATE.—The amendments made by
25 this section shall apply to property—

1 (1) the construction, reconstruction, or erection
2 of which of began after the date of enactment; or

3 (2) which was acquired by the taxpayer on or
4 after the date of enactment and not pursuant to a
5 binding contract which was in effect on the day prior
6 to the date of enactment.

7 **SEC. 605. NUCLEAR ENERGY WORKFORCE.**

8 Section 1101 of the Energy Policy Act of 2005 (42
9 U.S.C. 16411) is amended (1) by redesignating subsection
10 (d) as subsection (e); and by inserting after subsection (c)
11 the following:

12 “(d) WORKFORCE TRAINING.—

13 “(1) IN GENERAL.—The Secretary of Labor, in
14 cooperation with the Secretary of Energy, shall pro-
15 mulgate regulations to implement a program to pro-
16 vide workforce training to meet the high demand for
17 workers skilled in the nuclear utility and nuclear en-
18 ergy products and services industries.

19 “(2) CONSULTATION.—In carrying out this sub-
20 section, the Secretary of Labor shall consult with
21 representatives of the nuclear utility and nuclear en-
22 ergy products and services industries, and organized
23 labor, concerning skills that are needed in those in-
24 dustries.

1 “(3) AUTHORIZATION OF APPROPRIATIONS.—
2 There are authorized to be appropriated to the Sec-
3 retary of Labor, working in coordination with the
4 Secretaries of Education and Energy \$20,000,000
5 for each of fiscal years 2008 through 2012 for use
6 in implementing a program to provide workforce
7 training to meet the high demand for workers skilled
8 in the nuclear utility and nuclear energy products
9 and services industries.”.

10 **SEC. 606. LICENSING OF NEW NUCLEAR POWER PLANTS.**

11 Sections 189 and 185 of the Atomic Energy Act are
12 amended thus:

13 (1) HEARINGS AND JUDICIAL REVIEW.—Section
14 189a.(1)(A) is modified thus: “In any proceeding
15 under this Act, for the granting, suspending, revok-
16 ing, or amending of any license or construction per-
17 mit, or application to transfer control, and in any
18 proceeding for the issuance or modification of rules
19 and regulations dealing with the activities of licens-
20 ees, and in any proceeding for the payment of com-
21 pensation, an award, or royalties under section 153,
22 157, 186c., or 188, the Commission shall grant a
23 hearing upon the request of any person whose inter-
24 est may be affected by the proceeding, and shall
25 admit any such person as a party to such pro-

1 ceeding. The Commission may, in the absence of a
2 request therefor by any person whose interest may
3 be affected, issue a construction permit, an oper-
4 ating license or an amendment to a construction per-
5 mit or an amendment to an operating license with-
6 out a hearing, but upon thirty days' notice and pub-
7 lication once in the Federal Register of its intent to
8 do so. The Commission may dispense with such thir-
9 ty days' notice and publication with respect to any
10 application for an amendment to a construction per-
11 mit or an amendment to an operating license upon
12 a determination by the Commission that the amend-
13 ment involves no significant hazards consideration.”.

14 (2) CONSTRUCTION PERMITS AND OPERATING
15 LICENSES.—Section 185b is modified thus: “After
16 any public hearing held under section 189a.(1)(A),
17 the Commission shall issue to the applicant a com-
18 bined construction and operating license if the appli-
19 cation contains sufficient information to support the
20 issuance of a combined license and the Commission
21 determines that there is reasonable assurance that
22 the facility will be constructed and will operate in
23 conformity with the license, the provisions of this
24 Act, and the Commission’s rules and regulations.
25 The Commission shall identify within the combined

1 license the inspections, tests, and analyses, including
2 those applicable to emergency planning, that the li-
3 censee shall perform, and the acceptance criteria
4 that, if met, are necessary and sufficient to provide
5 reasonable assurance that the facility has been con-
6 structed and will be operated in conformity with the
7 license, the provisions of this Act, and the Commis-
8 sion’s rules and regulations. Following issuance of
9 the combined license, the Commission shall ensure
10 that the prescribed inspections, tests, and analyses
11 are performed and, prior to operation of the facility,
12 shall find that the prescribed acceptance criteria are
13 met. Any finding made under this subsection shall
14 not require a hearing except as provided in section
15 189a.(1)(B).”.

16 **SEC. 607. INVESTMENT TAX CREDIT FOR INVESTMENTS IN**
17 **NUCLEAR POWER FACILITIES.**

18 (a) NEW CREDIT FOR NUCLEAR POWER FACILI-
19 TIES.—Section 46 is amended by—

20 (1) striking “and” at the end of paragraph (3);

21 (2) striking the period at the end of paragraph

22 (4) and inserting “, and”; and

23 (3) inserting after paragraph (4) the following
24 new paragraph:

1 “(5) the nuclear power facility construction
2 credit.”.

3 (b) NUCLEAR POWER FACILITY CONSTRUCTION
4 CREDIT.—Subpart E of part IV of subchapter A of chap-
5 ter 1 is amended by inserting after section 48B the fol-
6 lowing new section:

7 **“SEC. 48C. NUCLEAR POWER FACILITY CONSTRUCTION**
8 **CREDIT.**

9 “(a) IN GENERAL.—For purposes of section 46, the
10 nuclear power facility construction credit for any taxable
11 year is 10 percent of the qualified nuclear power facility
12 expenditures with respect to a qualified nuclear power fa-
13 cility.

14 “(b) WHEN EXPENDITURES TAKEN INTO AC-
15 COUNT.—

16 “(1) IN GENERAL.—Qualified nuclear power fa-
17 cility expenditures shall be taken into account for
18 the taxable year in which the qualified nuclear power
19 facility is placed in service.

20 “(2) COORDINATION WITH SUBSECTION (c).—
21 The amount which would (but for this paragraph) be
22 taken into account under paragraph (1) with respect
23 to any qualified nuclear power facility shall be re-
24 duced (but not below zero) by any amount of quali-
25 fied nuclear power facility expenditures taken into

1 account under subsection (c) by the taxpayer or a
2 predecessor of the taxpayer (or, in the case of a sale
3 and leaseback described in section 50(a)(2)(C), by
4 the lessee), to the extent any amount so taken into
5 account has not been required to be recaptured
6 under section 50(a).

7 “(c) PROGRESS EXPENDITURES.—

8 “(1) IN GENERAL.—A taxpayer may elect to
9 take into account qualified nuclear power facility ex-
10 penditures.

11 “(A) SELF-CONSTRUCTED PROPERTY.—In
12 the case of a qualified nuclear power facility
13 which is a self-constructed facility, in the tax-
14 able year for which such expenditures are prop-
15 erly chargeable to capital account with respect
16 to such facility.

17 “(B) ACQUIRED FACILITY.—In the case of
18 a qualified nuclear facility which is not self-con-
19 structed property, in the taxable year in which
20 such expenditures are paid.

21 “(2) SPECIAL RULES FOR APPLYING PARA-
22 GRAPH (1).—For purposes of paragraph (1):

23 “(A) COMPONENT PARTS, ETC.—Property
24 which is not self-constructed property and
25 which is to be a component part of, or is other-

1 wise to be included in, any facility to which this
2 subsection applies shall be taken into account in
3 accordance with paragraph (1)(B).

4 “(B) CERTAIN BORROWING DIS-
5 REGARDED.—Any amount borrowed directly or
6 indirectly by the taxpayer on a nonrecourse
7 basis from the person constructing the facility
8 for the taxpayer shall not be treated as an
9 amount expended for such facility.

10 “(C) LIMITATION FOR FACILITIES OR COM-
11 PONENTS WHICH ARE NOT SELF-CON-
12 STRUCTED.—

13 “(i) IN GENERAL.—In the case of a
14 facility or a component of a facility which
15 is not self-constructed, the amount taken
16 into account under paragraph (1)(B) for
17 any taxable year shall not exceed the
18 amount which represents the portion of the
19 overall cost to the taxpayer of the facility
20 or component of a facility which is prop-
21 erly attributable to the portion of the facil-
22 ity or component which is completed dur-
23 ing such taxable year.

24 “(ii) CARRY-OVER OF CERTAIN
25 AMOUNTS.—In the case of a facility or

1 component of a facility which is not self-
2 constructed, if for the taxable year—

3 “(I) the amount which (but for
4 clause (i)) would have been taken into
5 account under paragraph (1)(B) ex-
6 ceeds the limitation of clause (i), then
7 the amount of such excess shall be
8 taken into account under paragraph
9 (1)(B) for the succeeding taxable
10 year; or

11 “(II) the limitation of clause (i)
12 exceeds the amount taken into ac-
13 count under paragraph (1)(B), then
14 the amount of such excess shall in-
15 crease the limitation of clause (i) for
16 the succeeding taxable year.

17 “(D) DETERMINATION OF PERCENTAGE OF
18 COMPLETION.—The determination under sub-
19 paragraph (C)(i) of the portion of the overall
20 cost to the taxpayer of the construction which
21 is properly attributable to construction com-
22 pleted during any taxable year shall be made on
23 the basis of engineering or architectural esti-
24 mates or on the basis of cost accounting
25 records. Unless the taxpayer establishes other-

1 wise by clear and convincing evidence, the con-
2 struction shall be deemed to be completed not
3 more rapidly than ratably over the normal con-
4 struction period.

5 “(E) NO PROGRESS EXPENDITURES FOR
6 CERTAIN PRIOR PERIODS.—No qualified nuclear
7 facility expenditures shall be taken into account
8 under this subsection for any period before the
9 first day of the first taxable year to which an
10 election under this subsection applies.

11 “(F) NO PROGRESS EXPENDITURES FOR
12 PROPERTY FOR YEAR IT IS PLACED IN SERVICE,
13 ETC.—In the case of any qualified nuclear facil-
14 ity, no qualified nuclear facility expenditures
15 shall be taken into account under this sub-
16 section for the earlier of—

17 “(i) the taxable year in which the fa-
18 cility is placed in service; or

19 “(ii) the first taxable year for which
20 recapture is required under section
21 50(a)(2) with respect to such facility, or
22 for any taxable year thereafter.

23 “(3) SELF-CONSTRUCTED.—For purposes of
24 this subsection:

1 “(A) The term ‘self-constructed facility’
2 means any facility if it is reasonable to believe
3 that more than half of the qualified nuclear fa-
4 cility expenditures for such facility will be made
5 directly by the tax-payer.

6 “(B) A component of a facility shall be
7 treated as not self-constructed if the cost of the
8 component is at least 5 percent of the expected
9 cost of the facility and the component is ac-
10 quired by the taxpayer.

11 “(4) ELECTION.—An election shall be made
12 under this section for a qualified nuclear power facil-
13 ity by claiming the nuclear power facility construc-
14 tion credit for expenditures described in paragraph
15 (1) on a tax return filed by the due date for such
16 return (taking into account extensions). Such an
17 election shall apply to the taxable year for which
18 made and all subsequent taxable years. Such an
19 election, once made, may be revoked only with the
20 consent of the Secretary.

21 “(d) DEFINITIONS AND SPECIAL RULES.—For pur-
22 poses of this section:

23 “(1) QUALIFIED NUCLEAR POWER FACILITY.—
24 The term ‘qualified nuclear power facility’ means an
25 advanced nuclear power facility, as defined in section

1 45J, the construction of which was approved by the
2 Nuclear Regulatory Commission on or before De-
3 cember 31, 2013.

4 “(2) QUALIFIED NUCLEAR POWER FACILITY
5 EXPENDITURES.—

6 “(A) IN GENERAL.—The term ‘qualified
7 nuclear power facility expenditures’ means any
8 amount properly chargeable to capital ac-
9 count—

10 “(i) with respect to a qualified nuclear
11 power facility;

12 “(ii) for which depreciation is allow-
13 able under section 168; and

14 “(iii) which are incurred before the
15 qualified nuclear power facility is placed in
16 service or in connection with the placement
17 of such facility in service.

18 “(B) PRE-EFFECTIVE DATE EXPENDI-
19 TURES.—Qualified nuclear power facility ex-
20 penditures do not include any expenditures in-
21 curred by the taxpayer before January 1, 2007,
22 unless such expenditures constitute less than 20
23 percent of the total qualified nuclear power fa-
24 cility expenditures (determined without regard

1 to this subparagraph) for the qualified nuclear
2 power facility.

3 “(3) DELAYS AND SUSPENSION OF CONSTRU-
4 TION.—

5 “(A) IN GENERAL.—For purposes of ap-
6 plying this section and section 50, a nuclear
7 power facility that is under construction shall
8 cease to be treated as a facility that will be a
9 qualified nuclear power facility as of the earlier
10 of—

11 “(i) the date on which the taxpayer
12 decides to terminate construction of the fa-
13 cility; or

14 “(ii) the last day of any 24-month pe-
15 riod in which the taxpayer has failed to
16 incur qualified nuclear power facility ex-
17 penditures totaling at least 20 percent of
18 the expected total cost of the nuclear
19 power facility.

20 “(B) AUTHORITY TO WAIVE.—The Sec-
21 retary may waive the application of clause (ii)
22 of subparagraph (A) if the Secretary deter-
23 mines that the taxpayer intended to continue
24 the construction of the qualified nuclear power

1 facility and the expenditures were not incurred
2 for reasons outside the control of the taxpayer.

3 “(C) RESUMPTION OF CONSTRUCTION.—If
4 a nuclear power facility that is under construc-
5 tion ceases to be a qualified nuclear power facil-
6 ity by reason of paragraph (2) and work is sub-
7 sequently resumed on the construction of such
8 facility—

9 “(i) the date work is subsequently re-
10 sumed shall be treated as the date that
11 construction began for purposes of para-
12 graph (1); and

13 “(ii) if the facility is a qualified nu-
14 clear power facility, the qualified nuclear
15 power facility expenditures shall be deter-
16 mined without regard to any delay or tem-
17 porary termination of construction of the
18 facility.”.

19 (c) PROVISIONS RELATING TO CREDIT RECAP-
20 TURE.—

21 (1) PROGRESS EXPENDITURE RECAPTURE
22 RULES.—

23 (A) BASIC RULES.—Subparagraph (A) of
24 section 50(a)(2) is amended to read as follows:

1 “(A) IN GENERAL.—If during any taxable
2 year any building to which section 47(d) applied
3 or any facility to which section 48C(e) applied
4 ceases (by reason of sale or other disposition,
5 cancellation or abandonment of contract, or
6 otherwise) to be, with respect to the taxpayer,
7 property which, when placed in service, will be
8 a qualified rehabilitated building or a qualified
9 nuclear power facility, then the tax under this
10 chapter for such taxable year shall be increased
11 by an amount equal to the aggregate decrease
12 in the credits allowed under section 38 for all
13 prior taxable years which would have resulted
14 solely from reducing to zero the credit deter-
15 mined under this subpart with respect to such
16 building or facility.”.

17 (B) AMENDMENT TO EXCESS CREDIT RE-
18 CAPTURE RULE.—Subparagraph (B) of section
19 50(a)(2) is amended by—

20 (i) inserting “or paragraph (2) of sec-
21 tion 48C(b)” after “paragraph (2) of sec-
22 tion 47(b)”;

23 (ii) inserting “or section 48C(b)(1)”
24 after “section 47(b)(1)”; and

1 (iii) inserting “or facility” after
2 “building”.

3 (C) AMENDMENT OF SALE AND LEASE-
4 BACK RULE.—Subparagraph (C) of section
5 50(a)(2) is amended by—

6 (i) inserting “or section 48C(e)” after
7 “section 47(d)”; and

8 (ii) inserting “or qualified nuclear
9 power facility expenditures” after “quali-
10 fied rehabilitation expenditures”.

11 (D) OTHER AMENDMENT.—Subparagraph
12 (D) of section 50(a)(2) is amended by inserting
13 “or section 48C(e)” after “section 47(d)”.

14 (d) NO BASIS ADJUSTMENT.—Section 50(c) is
15 amended by inserting at the end thereof the following new
16 paragraph:

17 “(6) NUCLEAR POWER FACILITY CONSTRUC-
18 TION CREDIT.—Paragraphs (1) and (2) shall not
19 apply to the nuclear power facility construction cred-
20 it.”.

21 (e) TECHNICAL AMENDMENTS.—The table of sec-
22 tions for subpart E of part IV of subchapter A of chapter
23 1 is amended by inserting after the line for section 48B
24 the following new line:

“Sec. 48C. Nuclear power facility construction credit.”.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section of this Act shall be effective for expenditures
3 incurred and property placed in service in taxable years
4 beginning after the date of enactment.

5 **SEC. 608. NATIONAL NUCLEAR ENERGY COUNCIL.**

6 (a) IN GENERAL.—

7 (1) The Secretary of Energy shall establish a
8 National Nuclear Energy Council (hereinafter the
9 “Council”).

10 (2) The National Nuclear Energy Council shall
11 be subject to the requirements of the Federal Advi-
12 sory Committee Act (5 U.S.C. Appendix 2).

13 (b) PURPOSE.—The National Nuclear Energy Coun-
14 cil shall—

15 (1) serve in an advisory capacity to the Sec-
16 retary of Energy regarding nuclear energy on mat-
17 ters submitted to the Council by the Secretary of
18 Energy; and

19 (2) advise, inform, and make recommendations
20 to the Secretary of Energy, and represent the views
21 of the nuclear energy industry with respect to any
22 matter relating to nuclear energy.

23 (c) MEMBERSHIP AND ORGANIZATION.—

24 (1) The members of the Council shall be ap-
25 pointed by the Secretary of Energy.

1 (2) The Council may establish such study and
2 administrative committees as it may deem appro-
3 priate. Study committees shall only assist the Coun-
4 cil in preparing its advice, information, or rec-
5 ommendations to the Secretary of Energy. Adminis-
6 trative committees shall be formed solely for the
7 purpose of assisting the Council or its Chairman in
8 the management of the internal affairs of the Coun-
9 cil.

10 (3) The officers of the Council shall consist of
11 a Chairman, a Vice Chairman, and such other offi-
12 cers as may be approved by the Council. The Chair-
13 man and Vice Chairman must be members of the
14 Council and shall receive no compensation for service
15 as officers of the Council.

16 (4) The Secretary of Energy shall be Cochair-
17 man of the Council. If the Secretary of Energy des-
18 ignates a full-time, salaried official of the Depart-
19 ment of Energy as his alternate, such alternate may
20 exercise any duties of the Secretary of Energy and
21 may perform any function on the Council otherwise
22 reserved for the Secretary of Energy.

23 (5) The Chairman and the Vice Chairman shall
24 be elected by the Council at its organizational meet-

1 ing to serve until their successors are elected at the
2 next organizational meeting of the Council.

3 (d) MEETINGS.—

4 (1) Regular meetings of the Council shall be
5 held at least twice each year at times determined by
6 the Chairman and approved by the Government Co-
7 chairman.

8 (2) No meeting of the Council shall be held un-
9 less the Government Cochairman approves the agen-
10 da thereof, approves the calling thereof, and is
11 present thereat.

12 (3) The time and place of all Council meetings
13 shall be given general publicity and such meetings
14 shall be open to the public.

15 (e) STUDIES BY THE COUNCIL.—

16 (1) The Council may establish study committees
17 to prepare reports for the consideration of the Coun-
18 cil pursuant to requests from the Secretary of En-
19 ergy for advice, information, and recommendations.

20 (2) The Secretary of Energy or a full-time em-
21 ployee of the Department of Energy designated by
22 the Secretary shall be the Cochairman of each study
23 committee.

24 (3) The members of study committees shall be
25 selected from the Council membership on the basis

1 of their training, experience, and general qualifica-
2 tions to deal with the matters assigned.

3 **SEC. 609. TEMPORARY SPENT NUCLEAR FUEL STORAGE**
4 **AGREEMENTS.**

5 (a) **AUTHORIZATION AND LOCATION.**—The Secretary
6 of Energy (Secretary) is authorized to initiate spent nu-
7 clear fuel storage agreements as provided herein.

8 (1) No later than 180 days from the date of en-
9 actment of this Act, representatives of a community
10 may submit written notice to the Secretary that the
11 community is willing to host a temporary spent nu-
12 clear fuel storage facility within its jurisdiction.

13 (2) Within 90 days of the receipt of the notifi-
14 cation under subsection (a)(1), the Secretary shall
15 determine whether the identified site is suitable for
16 a temporary storage facility. In determining the
17 site's suitability, the Secretary will evaluate technical
18 feasibility and consider favorably local support for
19 collocating a temporary spent nuclear fuel storage
20 facility with facilities in-tended to develop and imple-
21 ment advanced nuclear fuel cycle technologies.

22 (b) **CONTENT OF AGREEMENTS.**—If the Secretary
23 determines one or more sites to be suitable in accordance
24 with subsection (a)(2), negotiation of a temporary spent
25 nuclear fuel storage facility agreement shall proceed.

1 (1) Any temporary spent nuclear fuel storage
2 agreement shall contain such terms and conditions,
3 including financial, institutional and such other ar-
4 rangements as the Secretary and community deter-
5 mine to be reasonable and appropriate.

6 (2) Any temporary spent nuclear fuel storage
7 agreement may be amended only with the mutual
8 consent of the parties to the agreement.

9 (c) ENVIRONMENTAL IMPACT STATEMENT.—Execu-
10 tion of a temporary spent nuclear fuel storage agreement
11 shall not require preparation of an environmental impact
12 statement under section 102(2)(C) of the National Envi-
13 ronmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or
14 require any environmental review under subparagraph (E)
15 or (F) of section 102(2) of such Act (42 U.S.C.
16 4332(2)(E), (F)).

17 **SEC. 610. IMPLEMENTATION OF TEMPORARY SPENT NU-**
18 **CLEAR FUEL STORAGE AGREEMENTS.**

19 (a) IN GENERAL.—Any temporary spent nuclear fuel
20 storage agreement or agreements entered into under sec-
21 tion 1 shall enter into force with respect to the United
22 States if (and only if)—

23 (1) the Secretary, at least 60 days before the
24 day on which he or she enters into the temporary
25 spent nuclear fuel storage agreement or agreements

1 notifies the House of Representatives and the Senate
2 of his intention to enter into the agreement or agree-
3 ments, and promptly thereafter publishes notice of
4 such intention in the Federal Register;

5 (2) the Governor of the State or States in
6 which the facility is proposed to be located submits
7 written notice to the Secretary that the Governor
8 supports the temporary spent nuclear fuel storage
9 agreement; and

10 (3) after entering into the agreement, the Sec-
11 retary submits to the House of Representatives and
12 to the Senate a copy of the final text of the agree-
13 ment, together with—

14 (A) a draft of an implementing bill; and

15 (B) a statement of any administrative ac-
16 tion proposed to implement the agreement.

17 (b) APPLICATION OF EXPEDITED PROCEDURES TO
18 IMPLEMENTING BILLS.—The provisions of section 3 apply
19 to implementing bills submitted with respect to temporary
20 spent nuclear fuel storage agreements entered into and
21 submitted pursuant to section 2.

1 **SEC. 611. EXPEDITED PROCEDURES FOR CONGRESSIONAL**
2 **REVIEW OF TEMPORARY SPENT NUCLEAR**
3 **FUEL STORAGE AGREEMENTS.**

4 (a) RULES OF HOUSE OF REPRESENTATIVE AND
5 SENATE.—The provisions of this subsection are enacted
6 by the Congress—

7 (1) as an exercise of the rulemaking power of
8 the House of Representatives and the Senate, re-
9 spectively, and as such they are deemed a part of
10 the rules of each House, respectively, but applicable
11 only with respect to the procedure to be followed in
12 that House in the case of implementing bills de-
13 scribed in subsection (b)(2) of this section and ap-
14 proval resolutions described in subsection (b)(3) of
15 this section; and they supersede other rules only to
16 the extent that they are inconsistent therewith; and

17 (2) with full recognition of the constitutional
18 right of either House to change the rules (so far as
19 relating to the procedure of that House) at any time,
20 in the same manner and to the same extent as in
21 the case of any other rule of that House.

22 (b) DEFINITIONS.—For purposes of this section—

23 (1) The term “community” means any entity of
24 local government appropriate, in terms of legal au-
25 thority, for negotiating and entering into temporary

1 spent nuclear fuel storage agreements provided for
2 in section 1.

3 (2) The term “implementing bill” means only a
4 bill of either House of Congress which is introduced
5 as provided in subsection (c) of this section with re-
6 spect to one or more temporary spent nuclear fuel
7 storage agreements and which contain—

8 (A) a provision approving such storage
9 agreements;

10 (B) a provision approving the statement of
11 administrative action (if any) proposed to im-
12 plement such storage agreements;

13 (C) if changes in existing laws or new statu-
14 tory authority is required to implement such
15 storage agreement or agreements, provisions
16 necessary or appropriate to implement such
17 agreement or agreements either repealing or
18 amending existing laws or providing new statu-
19 tory authority; and

20 (D) a provision containing revenue meas-
21 ures (if any), by reason of which the bill must
22 originate in the House of Representatives as
23 provided for in subsection (c).

24 (3) The term “approval resolution” means only
25 a joint resolution of the two Houses of the Congress,

1 the matter after the resolving clause of which is as
2 follows: “That the Congress approves the temporary
3 spent nuclear fuel storage agreement between the
4 Secretary of Energy and _____ on
5 _____,” the first blank space being filled
6 with the name of the governor involved and the sec-
7 ond blank space being filled in with the appropriate
8 date.

9 (c) INTRODUCTION AND REFERRAL.—On the day on
10 which the temporary spent nuclear fuel storage agreement
11 is submitted to the House of Representatives and the Sen-
12 ate under this title, the implementing bill submitted by
13 the Secretary with respect to such temporary spent nu-
14 clear fuel storage agreement shall be introduced (by re-
15 quest) in the House by the majority leader of the House,
16 for himself and the minority leader of the House, or by
17 Members of the House designated by the majority leader
18 and minority leader of the House; and shall be introduced
19 (by request) in the Senate by the majority leader of the
20 Senate, for himself and the minority leader of the Senate,
21 or by Members of the Senate designated by the majority
22 leader and minority leader of the Senate. If either House
23 is not in session on the day on which such temporary spent
24 nuclear fuel storage agreement is submitted, the imple-
25 menting bill shall be introduced in that House, as provided

1 in the preceding sentence, on the first day thereafter on
2 which that House is in session. Such bills shall be referred
3 by the Presiding Officers of the respective Houses to the
4 appropriate committee, or, in the case of a bill containing
5 provisions within the jurisdiction of two or more commit-
6 tees, jointly to such committees for consideration of those
7 provisions within their respective jurisdictions.

8 (d) AMENDMENTS PROHIBITED.—No amendment to
9 an implementing bill or approval resolution shall be in
10 order in either the House of Representatives or the Sen-
11 ate; and no motion to suspend the application of this sub-
12 section shall be in order in either House, nor shall it be
13 in order in either House for the Presiding Officer to enter-
14 tain a request to suspend the application of this subsection
15 by unanimous consent.

16 (e) PERIOD FOR COMMITTEE AND FLOOR CONSIDER-
17 ATION.—

18 (1) Except as provided in subsection (e)(2), if
19 the committee or committees of either House to
20 which an implementing bill or approval resolution
21 has been referred have not reported it at the close
22 of the 45th day after its introduction, such com-
23 mittee or committees shall be automatically dis-
24 charged from further consideration of the bill or res-
25 olution and it shall be placed on the appropriate cal-

1 endar. A vote on final passage of the bill or resolu-
2 tion shall be taken in each House on or before the
3 close of the 15th day after the bill or resolution is
4 reported by the committee or committees of that
5 House to which it was referred, or after such com-
6 mittee or committees have been discharged from fur-
7 ther consideration of the bill or resolution. If prior
8 to the passage by one House of an implementing bill
9 or approval resolution of that House, that House re-
10 ceives the same implementing bill or approval resolu-
11 tion from the other House, then—

12 (A) the procedure in that House shall be
13 the same as if no implementation bill or ap-
14 proval resolution had been received from the
15 other House; but

16 (B) the vote on final passage shall be on
17 the implementing bill or approval resolution of
18 the other House.

19 (2) For purposes of computing a number of
20 days in either House as provided for in subsection
21 (e)(1), there shall be excluded any day on which that
22 House is not in session.

23 (3) If the implementing bill contains one or
24 more revenue measures—

1 (A) the provisions of subsection (e)(1)
2 shall not apply; and

3 (B) the Senate shall not take final action
4 on the bill until it is received from the House.

5 (f) FLOOR CONSIDERATION IN THE HOUSE.—

6 (1) A motion in the House of Representatives
7 to proceed to the consideration of an implementing
8 bill or approval resolution shall be highly privileged
9 and not debatable. An amendment to the motion
10 shall not be in order, nor shall it be in order to move
11 to reconsider the vote by which the motion is agreed
12 to or disagreed to.

13 (2) Debate in the House of Representatives on
14 an implementing bill or approval resolution shall be
15 limited to not more than 10 hours, which shall be
16 divided equally between those favoring and those op-
17 posing the bill or resolution. A motion further to
18 limit debate shall not be debatable. It shall not be
19 in order to move to recommit an implementing bill
20 or approval resolution or to move to reconsider the
21 vote by which an implementing bill or approval reso-
22 lution is agreed to or disagreed to.

23 (3) Motions to postpone, made in the House of
24 Representatives with respect to the consideration of
25 an implementing bill or approval resolution, and mo-

1 tions to proceed to the consideration of other busi-
2 ness, shall be decided without debate. If a motion to
3 proceed to consideration is agreed to, such resolution
4 shall remain unfinished business of House until dis-
5 posed of.

6 (4) All appeals from the decisions of the Chair
7 relating to the application of the Rules of the House
8 of Representatives to the procedure relating to an
9 implementing bill or approval resolution shall be de-
10 cided without debate.

11 (5) Except to the extent specifically provided in
12 the preceding provisions of this subsection, consider-
13 ation of an implementing bill or approval resolution
14 shall be governed by the Rules of the House of Rep-
15 resentatives applicable to other bills and resolutions
16 in similar circumstances.

17 (g) FLOOR CONSIDERATION IN THE SENATE.—

18 (1) A motion in the Senate to proceed to the
19 consideration of an implementing bill or approval
20 resolution shall be privileged and not debatable. An
21 amendment to the motion shall not be in order, nor
22 shall it be in order to move to reconsider the vote
23 by which the motion is agreed to or disagreed to.

24 (2) Debate in the Senate on an implementing
25 bill or approval resolution, and all debatable motions

1 and appeals in connection therewith, shall be limited
2 to not more than 10 hours. The time shall be equally
3 divided between, and controlled by, the majority
4 leader and the minority leader or their designees.

5 (3) Debate in the Senate on any debatable mo-
6 tion or appeal in connection with an implementing
7 bill or approval resolution shall be limited to not
8 more than 1 hour, to be equally divided between,
9 and controlled by, the mover and the manager of the
10 bill or resolution, except that in the event the man-
11 ager of the bill or resolution is in favor of any such
12 motion or appeal, the time in opposition thereto
13 shall be controlled by the minority leader or his des-
14 ignee. Such leaders, or either of them, may, from
15 time under their control on the passage of an imple-
16 menting bill or approval resolution, allot additional
17 time to any Senator during the consideration of any
18 debatable motion or appeal.

19 (4) A motion in the Senate to further limit de-
20 bate is not debatable. A motion to recommit an im-
21 plementation bill or approval resolution is not in
22 order.

23 **SEC. 612. CONTRACTING AND NUCLEAR WASTE FUND.**

24 Section 302 of the Nuclear Waste Policy Act of 1982
25 (42 U.S.C. 10222) is amended—

1 (1) in subsection (a)(1), by adding at the end
2 the following: “For any civilian nuclear power reac-
3 tor a license application for which is filed with the
4 Commission, pursuant to its authority under section
5 103 or 104 of the Atomic Energy Act of 1954, after
6 the date of enactment of this Act, contracts entered
7 into under this section shall—

8 “(A) except as provided in subsections
9 302(a)(1)(B), (C), (D), and (E), below, be gen-
10 erally consistent with the terms and conditions
11 of the ‘Standard Contract for Disposal of Spent
12 Nuclear Fuel and/or High-Level Radioactive
13 Waste,’ as codified at 10 C.F.R. Part 961 and
14 in effect on January 1, 2007;

15 “(B) provide for the taking of title to, and
16 for the Secretary to dispose of, the high-level
17 waste or spent nuclear fuel involved beginning
18 no later than 15 years following the start of
19 commercial operation;

20 “(C) contain no provisions providing for
21 adjustment of the 1.0 mil per kilowatt-hour fee
22 established by paragraph (2);

23 “(D) be entered into no later than 60 days
24 following the docketing of the license applica-

1 tion by the Commission, or the date of enact-
2 ment of this Act, whichever is later;

3 “(E) provide that, on a schedule consistent
4 with the Secretary’s acceptance of spent nuclear
5 fuel from each civilian nuclear power reactor or
6 site, and completed not later than the Sec-
7 retary’s completing the acceptance of all spent
8 nuclear fuel from that commercial nuclear
9 power reactor or site, the Secretary shall accept
10 from each such reactor or site, all low-level ra-
11 dioactive waste defined in section 3(b)(1)(D) of
12 the Low-level Radioactive Waste Policy Act, as
13 amended, 42 U.S.C. 2021e(b)(1)(D).”; and

14 (2) in subsection (a)(4), by striking all after
15 “herein.” in the second sentence;

16 (3) in subsection (a)(6), by adding at the end
17 the following: “Further, the Secretary shall offer to
18 settle any actions pending on the date of enactment
19 of this Act for damages resulting from failure to
20 commence accepting spent nuclear fuel or high-level
21 radioactive waste on or before January 31, 1998.
22 Each offer to settle shall provide for the payment of
23 \$150 to the other party to a contract for disposal of
24 spent nuclear fuel and high-level radioactive waste
25 for each kilogram of spent nuclear fuel which such

1 party was or shall be entitled to deliver to the De-
2 partment in a particular year, based on the following
3 aggregate acceptance rates: 400 MTU for 1998; 600
4 MTU for 1999; 1,200 MTU for 2000; 2,000 MTU
5 for 2001; and 3,000 MTU for 2002 and thereafter;
6 provided that the Secretary shall adjust the payment
7 amount per kilogram of spent nuclear fuel under
8 this subsection (a)(6) annually according to the most
9 recent Producer Price Index published by the De-
10 partment of Labor. Such aggregate acceptance rates
11 shall be allocated among parties to contracts with
12 the United States based upon the age of spent nu-
13 clear fuel, as measured by the date of the discharge
14 of such spent nuclear fuel from the civilian nuclear
15 power reactor. Such offer to settle also shall include
16 an annual payment to be determined by the Sec-
17 retary to any such party where a civilian nuclear
18 power reactor has been decommissioned, except for
19 those portions of the facility that cannot be decom-
20 missioned until removal of spent nuclear fuel and
21 high-level radioactive waste. The Secretary also shall
22 offer like compensation to parties to contracts en-
23 tered into pursuant to section 302 of the Nuclear
24 Waste Policy Act of 1982 (42 U.S.C. 10222) who
25 brought actions for damages prior to the date of en-

1 actment of this Act, but which were no longer pend-
2 ing as of said date, provided that such compensation
3 shall be reduced by the amount of any settlement or
4 judgment received by such party.”; and

5 (4) in subsection (d), by adding at the end the
6 following: “No amount may be expended by the Sec-
7 retary from the Waste Fund to carry out research
8 and development activities on advanced nuclear fuel
9 cycle technologies.”.

10 **SEC. 613. CONFIDENCE IN AVAILABILITY OF WASTE DIS-**
11 **POSAL.**

12 (a) CONGRESSIONAL DETERMINATION.—The Con-
13 gress finds that—

14 (1) there is reasonable assurance that high-level
15 radioactive waste and spent nuclear fuel generated
16 in reactors licensed by the Nuclear Regulatory Com-
17 mission in the past, currently, or in the future will
18 be managed in a safe manner without significant en-
19 vironmental impact until capacity for ultimate dis-
20 posal is available; and

21 (2) the Federal Government is responsible and
22 has established a policy for the ultimate safe and en-
23 vironmentally sound disposal of such high-level ra-
24 dioactive waste and spent nuclear fuel.

1 (b) REGULATORY CONSIDERATION.—Notwith-
2 standing any other provision of law, for the period fol-
3 lowing the licensed operation of a civilian nuclear power
4 reactor or any facility for the treatment or storage of
5 spent nuclear fuel or high-level radioactive waste, no con-
6 sideration of the public health and safety, common defense
7 and security, or environmental impacts of the storage of
8 high-level radioactive waste and spent nuclear fuel gen-
9 erated in reactors licensed by the Nuclear Regulatory
10 Commission in the past, currently, or in the future, is re-
11 quired by the Department of Energy or the Nuclear Regu-
12 latory Commission in connection with the development,
13 construction, and operation of, or any permit, license, li-
14 cense amendment, or siting approval for, a civilian nuclear
15 power reactor or any facility for the treatment or storage
16 of spent nuclear fuel or high-level radioactive waste. Noth-
17 ing in this section shall affect the Department of Energy’s
18 and Nuclear Regulatory Commission’s obligation to con-
19 sider the public health and safety, common defense and
20 security, and environmental impacts of storage during the
21 period of licensed operation of a civilian nuclear power re-
22 actor or facility for the treatment or storage of spent nu-
23 clear fuel or high-level radioactive waste.

1 **TITLE VII—ENERGY PRODUCTION AND CONSERVATION TAX INCENTIVES**

4 **SEC. 700. AMENDMENT OF 1986 CODE.**

5 Except as otherwise expressly provided, whenever in
6 this title an amendment or repeal is expressed in terms
7 of an amendment to, or repeal of, a section or other provi-
8 sion, the reference shall be considered to be made to a
9 section or other provision of the Internal Revenue Code
10 of 1986.

11 **Subtitle A—Extension of Clean Energy Production Incentives**

13 **SEC. 701. EXTENSION AND MODIFICATION OF RENEWABLE ENERGY PRODUCTION TAX CREDIT.**

15 (a) EXTENSION OF CREDIT.—Each of the following
16 provisions of section 45(d) (relating to qualified facilities)
17 is amended by striking “January 1, 2009” and inserting
18 “January 1, 2010”:

- 19 (1) Paragraph (1).
20 (2) Clauses (i) and (ii) of paragraph (2)(A).
21 (3) Clauses (i)(I) and (ii) of paragraph (3)(A).
22 (4) Paragraph (4).
23 (5) Paragraph (5).
24 (6) Paragraph (6).
25 (7) Paragraph (7).

1 (8) Paragraph (8).

2 (9) Subparagraphs (A) and (B) of paragraph
3 (9).

4 (b) PRODUCTION CREDIT FOR ELECTRICITY PRO-
5 DUCED FROM MARINE RENEWABLES.—

6 (1) IN GENERAL.—Paragraph (1) of section
7 45(c) (relating to resources) is amended by striking
8 “and” at the end of subparagraph (G), by striking
9 the period at the end of subparagraph (H) and in-
10 sserting “, and”, and by adding at the end the fol-
11 lowing new subparagraph:

12 “(I) marine and hydrokinetic renewable en-
13 ergy.”.

14 (2) MARINE RENEWABLES.—Subsection (c) of
15 section 45 is amended by adding at the end the fol-
16 lowing new paragraph:

17 “(10) MARINE AND HYDROKINETIC RENEW-
18 ABLE ENERGY.—

19 “(A) IN GENERAL.—The term ‘marine and
20 hydrokinetic renewable energy’ means energy
21 derived from—

22 “(i) waves, tides, and currents in
23 oceans, estuaries, and tidal areas,

24 “(ii) free flowing water in rivers,
25 lakes, and streams,

1 “(iii) free flowing water in an irriga-
2 tion system, canal, or other man-made
3 channel, including projects that utilize non-
4 mechanical structures to accelerate the
5 flow of water for electric power production
6 purposes, or

7 “(iv) differentials in ocean tempera-
8 ture (ocean thermal energy conversion).

9 “(B) EXCEPTIONS.—Such term shall not
10 include any energy which is derived from any
11 source which utilizes a dam, diversionary struc-
12 ture (except as provided in subparagraph
13 (A)(iii)), or impoundment for electric power
14 production purposes.”.

15 (3) DEFINITION OF FACILITY.—Subsection (d)
16 of section 45 is amended by adding at the end the
17 following new paragraph:

18 “(11) MARINE AND HYDROKINETIC RENEW-
19 ABLE ENERGY FACILITIES.—In the case of a facility
20 producing electricity from marine and hydrokinetic
21 renewable energy, the term ‘qualified facility’ means
22 any facility owned by the taxpayer—

23 “(A) which has a nameplate capacity rat-
24 ing of at least 150 kilowatts, and

1 “(B) which is originally placed in service
2 on or after the date of the enactment of this
3 paragraph and before January 1, 2010.”.

4 (4) CREDIT RATE.—Subparagraph (A) of sec-
5 tion 45(b)(4) is amended by striking “or (9)” and
6 inserting “(9), or (11)”.

7 (5) COORDINATION WITH SMALL IRRIGATION
8 POWER.—Paragraph (5) of section 45(d), as amend-
9 ed by subsection (a), is amended by striking “Janu-
10 ary 1, 2010” and inserting “the date of the enact-
11 ment of paragraph (11)”.

12 (c) SALES OF ELECTRICITY TO REGULATED PUBLIC
13 UTILITIES TREATED AS SALES TO UNRELATED PER-
14 SONS.—Section 45(e)(4) (relating to related persons) is
15 amended by adding at the end the following new sentence:
16 “A taxpayer shall be treated as selling electricity to an
17 unrelated person if such electricity is sold to a regulated
18 public utility (as defined in section 7701(a)(33)).”.

19 (d) TRASH FACILITY CLARIFICATION.—Paragraph
20 (7) of section 45(d) is amended—

21 (1) by striking “facility which burns” and in-
22 serting “facility (other than a facility described in
23 paragraph (6)) which uses”, and

24 (2) by striking “COMBUSTION”.

25 (e) EFFECTIVE DATES.—

1 (1) EXTENSION.—The amendments made by
2 subsection (a) shall apply to property originally
3 placed in service after December 31, 2008.

4 (2) MODIFICATIONS.—The amendments made
5 by subsections (b) and (c) shall apply to electricity
6 produced and sold after the date of the enactment
7 of this Act, in taxable years ending after such date.

8 (3) TRASH FACILITY CLARIFICATION.—The
9 amendments made by subsection (d) shall apply to
10 electricity produced and sold before, on, or after De-
11 cember 31, 2007.

12 **SEC. 702. EXTENSION AND MODIFICATION OF SOLAR EN-**
13 **ERGY AND FUEL CELL INVESTMENT TAX**
14 **CREDIT.**

15 (a) EXTENSION OF CREDIT.—

16 (1) SOLAR ENERGY PROPERTY.—Paragraphs
17 (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) (relating
18 to energy credit) are each amended by striking
19 “January 1, 2009” and inserting “January 1,
20 2017”.

21 (2) FUEL CELL PROPERTY.—Subparagraph (E)
22 of section 48(c)(1) (relating to qualified fuel cell
23 property) is amended by striking “December 31,
24 2008” and inserting “December 31, 2016”.

1 (3) QUALIFIED MICROTURBINE PROPERTY.—
2 Subparagraph (E) of section 48(c)(2) (relating to
3 qualified microturbine property) is amended by
4 striking “December 31, 2008” and inserting “De-
5 cember 31, 2016”.

6 (b) ALLOWANCE OF ENERGY CREDIT AGAINST AL-
7 TERNATIVE MINIMUM TAX.—Subparagraph (B) of section
8 38(c)(4) (relating to specified credits) is amended by strik-
9 ing “and” at the end of clause (iii), by striking the period
10 at the end of clause (iv) and inserting “, and”, and by
11 adding at the end the following new clause:

12 “(v) the credit determined under sec-
13 tion 46 to the extent that such credit is at-
14 tributable to the energy credit determined
15 under section 48.”.

16 (c) REPEAL OF DOLLAR PER KILOWATT LIMITATION
17 FOR FUEL CELL PROPERTY.—

18 (1) IN GENERAL.—Section 48(c)(1) (relating to
19 qualified fuel cell), as amended by subsection (a)(2),
20 is amended by striking subparagraph (B) and by re-
21 designating subparagraphs (C), (D), and (E) as sub-
22 paragraphs (B), (C), and (D), respectively.

23 (2) CONFORMING AMENDMENT.—Section
24 48(a)(1) is amended by striking “paragraphs (1)(B)

1 and (2)(B) of subsection (c)” and inserting “sub-
2 section (c)(2)(B)”.

3 (d) PUBLIC ELECTRIC UTILITY PROPERTY TAKEN
4 INTO ACCOUNT.—

5 (1) IN GENERAL.—Paragraph (3) of section
6 48(a) is amended by striking the second sentence
7 thereof.

8 (2) CONFORMING AMENDMENTS.—

9 (A) Paragraph (1) of section 48(c), as
10 amended by this section, is amended by striking
11 subparagraph (C) and redesignating subpara-
12 graph (D) as subparagraph (C).

13 (B) Paragraph (2) of section 48(c), as
14 amended by subsection (a)(3), is amended by
15 striking subparagraph (D) and redesignating
16 subparagraph (E) as subparagraph (D).

17 (e) EFFECTIVE DATES.—

18 (1) EXTENSION.—The amendments made by
19 subsection (a) shall take effect on the date of the en-
20 actment of this Act.

21 (2) ALLOWANCE AGAINST ALTERNATIVE MIN-
22 IMUM TAX.—The amendments made by subsection
23 (b) shall apply to credits determined under section
24 46 of the Internal Revenue Code of 1986 in taxable

1 years beginning after the date of the enactment of
2 this Act and to carrybacks of such credits.

3 (3) FUEL CELL PROPERTY AND PUBLIC ELEC-
4 TRIC UTILITY PROPERTY.—The amendments made
5 by subsections (c) and (d) shall apply to periods
6 after the date of the enactment of this Act, in tax-
7 able years ending after such date, under rules simi-
8 lar to the rules of section 48(m) of the Internal Rev-
9 enue Code of 1986 (as in effect on the day before
10 the date of the enactment of the Revenue Reconcili-
11 ation Act of 1990).

12 **SEC. 703. EXTENSION AND MODIFICATION OF RESIDENTIAL**
13 **ENERGY EFFICIENT PROPERTY CREDIT.**

14 (a) EXTENSION.—Section 25D(g) (relating to termi-
15 nation) is amended by striking “December 31, 2008” and
16 inserting “December 31, 2009”.

17 (b) NO DOLLAR LIMITATION FOR CREDIT FOR
18 SOLAR ELECTRIC PROPERTY.—

19 (1) IN GENERAL.—Section 25D(b)(1) (relating
20 to maximum credit) is amended by striking subpara-
21 graph (A) and by redesignating subparagraphs (B)
22 and (C) as subparagraphs (A) and (B), respectively.

23 (2) CONFORMING AMENDMENTS.—Section
24 25D(e)(4) is amended—

1 (A) by striking clause (i) in subparagraph

2 (A),

3 (B) by redesignating clauses (ii) and (iii)

4 in subparagraph (A) as clauses (i) and (ii), re-

5 spectively, and

6 (C) by striking “, (2),” in subparagraph

7 (C).

8 (c) CREDIT ALLOWED AGAINST ALTERNATIVE MIN-

9 IMUM TAX.—

10 (1) IN GENERAL.—Subsection (c) of section

11 25D is amended to read as follows:

12 “(c) LIMITATION BASED ON AMOUNT OF TAX;

13 CARRYFORWARD OF UNUSED CREDIT.—

14 “(1) LIMITATION BASED ON AMOUNT OF

15 TAX.—In the case of a taxable year to which section

16 26(a)(2) does not apply, the credit allowed under

17 subsection (a) for the taxable year shall not exceed

18 the excess of—

19 “(A) the sum of the regular tax liability

20 (as defined in section 26(b)) plus the tax im-

21 posed by section 55, over

22 “(B) the sum of the credits allowable

23 under this subpart (other than this section) and

24 section 27 for the taxable year.

25 “(2) CARRYFORWARD OF UNUSED CREDIT.—

1 “(A) RULE FOR YEARS IN WHICH ALL
2 PERSONAL CREDITS ALLOWED AGAINST REG-
3 ULAR AND ALTERNATIVE MINIMUM TAX.—In
4 the case of a taxable year to which section
5 26(a)(2) applies, if the credit allowable under
6 subsection (a) exceeds the limitation imposed by
7 section 26(a)(2) for such taxable year reduced
8 by the sum of the credits allowable under this
9 subpart (other than this section), such excess
10 shall be carried to the succeeding taxable year
11 and added to the credit allowable under sub-
12 section (a) for such succeeding taxable year.

13 “(B) RULE FOR OTHER YEARS.—In the
14 case of a taxable year to which section 26(a)(2)
15 does not apply, if the credit allowable under
16 subsection (a) exceeds the limitation imposed by
17 paragraph (1) for such taxable year, such ex-
18 cess shall be carried to the succeeding taxable
19 year and added to the credit allowable under
20 subsection (a) for such succeeding taxable
21 year.”.

22 (2) CONFORMING AMENDMENTS.—

23 (A) Section 23(b)(4)(B) is amended by in-
24 serting “and section 25D” after “this section”.

1 (B) Section 24(b)(3)(B) is amended by
2 striking “and 25B” and inserting “, 25B, and
3 25D”.

4 (C) Section 25B(g)(2) is amended by strik-
5 ing “section 23” and inserting “sections 23 and
6 25D”.

7 (D) Section 26(a)(1) is amended by strik-
8 ing “and 25B” and inserting “25B, and 25D”.

9 (d) EFFECTIVE DATE.—

10 (1) IN GENERAL.—The amendments made by
11 this section shall apply to taxable years beginning
12 after December 31, 2007.

13 (2) APPLICATION OF EGTRRA SUNSET.—The
14 amendments made by subparagraphs (A) and (B) of
15 subsection (c)(2) shall be subject to title IX of the
16 Economic Growth and Tax Relief Reconciliation Act
17 of 2001 in the same manner as the provisions of
18 such Act to which such amendments relate.

19 **SEC. 704. EXTENSION AND MODIFICATION OF CREDIT FOR**
20 **CLEAN RENEWABLE ENERGY BONDS.**

21 (a) EXTENSION.—Section 54(m) (relating to termi-
22 nation) is amended by striking “December 31, 2008” and
23 inserting “December 31, 2009”.

1 (b) INCREASE IN NATIONAL LIMITATION.—Section
2 54(f) (relating to limitation on amount of bonds des-
3 ignated) is amended—

4 (1) by inserting “, and for the period beginning
5 after the date of the enactment of the Clean Energy
6 Tax Stimulus Act of 2008 and ending before Janu-
7 ary 1, 2010, \$400,000,000” after “\$1,200,000,000”
8 in paragraph (1),

9 (2) by striking “\$750,000,000 of the” in para-
10 graph (2) and inserting “\$750,000,000 of the
11 \$1,200,000,000”, and

12 (3) by striking “bodies” in paragraph (2) and
13 inserting “bodies, and except that the Secretary may
14 not allocate more than $\frac{1}{3}$ of the \$400,000,000 na-
15 tional clean renewable energy bond limitation to fi-
16 nance qualified projects of qualified borrowers which
17 are public power providers nor more than $\frac{1}{3}$ of such
18 limitation to finance qualified projects of qualified
19 borrowers which are mutual or cooperative electric
20 companies described in section 501(c)(12) or section
21 1381(a)(2)(C)”.

22 (c) PUBLIC POWER PROVIDERS DEFINED.—Section
23 54(j) is amended—

24 (1) by adding at the end the following new
25 paragraph:

1 “(6) PUBLIC POWER PROVIDER.—The term
2 ‘public power provider’ means a State utility with a
3 service obligation, as such terms are defined in sec-
4 tion 217 of the Federal Power Act (as in effect on
5 the date of the enactment of this paragraph).”, and

6 (2) by inserting “; PUBLIC POWER PROVIDER”
7 before the period at the end of the heading.

8 (d) TECHNICAL AMENDMENT.—The third sentence of
9 section 54(e)(2) is amended by striking “subsection
10 (1)(6)” and inserting “subsection (1)(5)”.

11 (e) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to bonds issued after the date of
13 the enactment of this Act.

14 **SEC. 705. EXTENSION OF SPECIAL RULE TO IMPLEMENT**
15 **FERC RESTRUCTURING POLICY.**

16 (a) QUALIFYING ELECTRIC TRANSMISSION TRANS-
17 ACTION.—

18 (1) IN GENERAL.—Section 451(i)(3) (defining
19 qualifying electric transmission transaction) is
20 amended by striking “January 1, 2008” and insert-
21 ing “January 1, 2010”.

22 (2) EFFECTIVE DATE.—The amendment made
23 by this subsection shall apply to transactions after
24 December 31, 2007.

25 (b) INDEPENDENT TRANSMISSION COMPANY.—

1 (1) IN GENERAL.—Section 451(i)(4)(B)(ii) (de-
2 fining independent transmission company) is amend-
3 ed by striking “December 31, 2007” and inserting
4 “the date which is 2 years after the date of such
5 transaction”.

6 (2) EFFECTIVE DATE.—The amendment made
7 by this subsection shall take effect as if included in
8 the amendments made by section 909 of the Amer-
9 ican Jobs Creation Act of 2004.

10 **Subtitle B—Extension of Incentives** 11 **to Improve Energy Efficiency**

12 **SEC. 711. EXTENSION AND MODIFICATION OF CREDIT FOR** 13 **ENERGY EFFICIENCY IMPROVEMENTS TO EX-** 14 **ISTING HOMES.**

15 (a) EXTENSION OF CREDIT.—Section 25C(g) (relat-
16 ing to termination) is amended by striking “December 31,
17 2007” and inserting “December 31, 2009”.

18 (b) QUALIFIED BIOMASS FUEL PROPERTY.—

19 (1) IN GENERAL.—Section 25C(d)(3) is amend-
20 ed—

21 (A) by striking “and” at the end of sub-
22 paragraph (D),

23 (B) by striking the period at the end of
24 subparagraph (E) and inserting “, and”, and

1 (C) by adding at the end the following new
2 subparagraph:

3 “(F) a stove which uses the burning of bio-
4 mass fuel to heat a dwelling unit located in the
5 United States and used as a residence by the
6 taxpayer, or to heat water for use in such a
7 dwelling unit, and which has a thermal effi-
8 ciency rating of at least 75 percent.”.

9 (2) BIOMASS FUEL.—Section 25C(d) (relating
10 to residential energy property expenditures) is
11 amended by adding at the end the following new
12 paragraph:

13 “(6) BIOMASS FUEL.—The term ‘biomass fuel’
14 means any plant-derived fuel available on a renew-
15 able or recurring basis, including agricultural crops
16 and trees, wood and wood waste and residues (in-
17 cluding wood pellets), plants (including aquatic
18 plants), grasses, residues, and fibers.”.

19 (c) MODIFICATIONS OF STANDARDS FOR ENERGY-
20 EFFICIENT BUILDING PROPERTY.—

21 (1) ELECTRIC HEAT PUMPS.—Subparagraph
22 (B) of section 25C(d)(3) is amended to read as fol-
23 lows:

24 “(A) an electric heat pump which achieves
25 the highest efficiency tier established by the

1 Consortium for Energy Efficiency, as in effect
2 on January 1, 2008.”.

3 (2) CENTRAL AIR CONDITIONERS.—Section
4 25C(d)(3)(D) is amended by striking “2006” and
5 inserting “2008”.

6 (3) WATER HEATERS.—Subparagraph (E) of
7 section 25C(d) is amended to read as follows:

8 “(E) a natural gas, propane, or oil water
9 heater which has either an energy factor of at
10 least 0.80 or a thermal efficiency of at least 90
11 percent.”.

12 (4) OIL FURNACES AND HOT WATER BOIL-
13 ERS.—Paragraph (4) of section 25C(d) is amended
14 to read as follows:

15 “(4) QUALIFIED NATURAL GAS, PROPANE, AND
16 OIL FURNACES AND HOT WATER BOILERS.—

17 “(A) QUALIFIED NATURAL GAS FUR-
18 NACE.—The term ‘qualified natural gas fur-
19 nace’ means any natural gas furnace which
20 achieves an annual fuel utilization efficiency
21 rate of not less than 95.

22 “(B) QUALIFIED NATURAL GAS HOT
23 WATER BOILER.—The term ‘qualified natural
24 gas hot water boiler’ means any natural gas hot

1 water boiler which achieves an annual fuel utili-
2 zation efficiency rate of not less than 90.

3 “(C) QUALIFIED PROPANE FURNACE.—
4 The term ‘qualified propane furnace’ means any
5 propane furnace which achieves an annual fuel
6 utilization efficiency rate of not less than 95.

7 “(D) QUALIFIED PROPANE HOT WATER
8 BOILER.—The term ‘qualified propane hot
9 water boiler’ means any propane hot water boil-
10 er which achieves an annual fuel utilization effi-
11 ciency rate of not less than 90.

12 “(E) QUALIFIED OIL FURNACES.—The
13 term ‘qualified oil furnace’ means any oil fur-
14 nace which achieves an annual fuel utilization
15 efficiency rate of not less than 90.

16 “(F) QUALIFIED OIL HOT WATER BOIL-
17 ER.—The term ‘qualified oil hot water boiler’
18 means any oil hot water boiler which achieves
19 an annual fuel utilization efficiency rate of not
20 less than 90.”.

21 (d) EFFECTIVE DATE.—The amendments made this
22 section shall apply to expenditures made after December
23 31, 2007.

1 **SEC. 712. EXTENSION AND MODIFICATION OF TAX CREDIT**
2 **FOR ENERGY EFFICIENT NEW HOMES.**

3 (a) **EXTENSION OF CREDIT.**—Subsection (g) of sec-
4 tion 45L (relating to termination) is amended by striking
5 “December 31, 2008” and inserting “December 31,
6 2010”.

7 (b) **ALLOWANCE FOR CONTRACTOR’S PERSONAL**
8 **RESIDENCE.**—Subparagraph (B) of section 45L(a)(1) is
9 amended to read as follows:

10 “(B)(i) acquired by a person from such eli-
11 gible contractor and used by any person as a
12 residence during the taxable year, or

13 “(ii) used by such eligible contractor as a
14 residence during the taxable year.”.

15 (c) **EFFECTIVE DATE.**—The amendments made by
16 this section shall apply to homes acquired after December
17 31, 2008.

18 **SEC. 713. EXTENSION AND MODIFICATION OF ENERGY EF-**
19 **FICIENT COMMERCIAL BUILDINGS DEDUC-**
20 **TION.**

21 (a) **EXTENSION.**—Section 179D(h) (relating to ter-
22 mination) is amended by striking “December 31, 2008”
23 and inserting “December 31, 2009”.

24 (b) **ADJUSTMENT OF MAXIMUM DEDUCTION**
25 **AMOUNT.**—

1 (1) IN GENERAL.—Subparagraph (A) of section
2 179D(b)(1) (relating to maximum amount of deduc-
3 tion) is amended by striking “\$1.80” and inserting
4 “\$2.25”.

5 (2) PARTIAL ALLOWANCE.—Paragraph (1) of
6 section 179D(d) is amended—

7 (A) by striking “\$.60” and inserting
8 “\$0.75”, and

9 (B) by striking “\$1.80” and inserting
10 “\$2.25”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to property placed in service after
13 the date of the enactment of this Act.

14 **SEC. 714. MODIFICATION AND EXTENSION OF ENERGY EF-**
15 **FICIENT APPLIANCE CREDIT FOR APPLI-**
16 **ANCES PRODUCED AFTER 2007.**

17 (a) IN GENERAL.—Subsection (b) of section 45M (re-
18 lating to applicable amount) is amended to read as follows:

19 “(b) APPLICABLE AMOUNT.—For purposes of sub-
20 section (a)—

21 “(1) DISHWASHERS.—The applicable amount
22 is—

23 “(A) \$45 in the case of a dishwasher which
24 is manufactured in calendar year 2008 or 2009

1 and which uses no more than 324 kilowatt
2 hours per year and 5.8 gallons per cycle, and

3 “(B) \$75 in the case of a dishwasher
4 which is manufactured in calendar year 2008,
5 2009, or 2010 and which uses no more than
6 307 kilowatt hours per year and 5.0 gallons per
7 cycle (5.5 gallons per cycle for dishwashers de-
8 signed for greater than 12 place settings).

9 “(2) CLOTHES WASHERS.—The applicable
10 amount is—

11 “(A) \$75 in the case of a residential top-
12 loading clothes washer manufactured in cal-
13 endar year 2008 which meets or exceeds a 1.72
14 modified energy factor and does not exceed a
15 8.0 water consumption factor,

16 “(B) \$125 in the case of a residential top-
17 loading clothes washer manufactured in cal-
18 endar year 2008 or 2009 which meets or ex-
19 ceeds a 1.8 modified energy factor and does not
20 exceed a 7.5 water consumption factor,

21 “(C) \$150 in the case of a residential or
22 commercial clothes washer manufactured in cal-
23 endar year 2008, 2009, or 2010 which meets or
24 exceeds 2.0 modified energy factor and does not
25 exceed a 6.0 water consumption factor, and

1 “(D) \$250 in the case of a residential or
2 commercial clothes washer manufactured in cal-
3 endar year 2008, 2009, or 2010 which meets or
4 exceeds 2.2 modified energy factor and does not
5 exceed a 4.5 water consumption factor.

6 “(3) REFRIGERATORS.—The applicable amount
7 is—

8 “(A) \$50 in the case of a refrigerator
9 which is manufactured in calendar year 2008,
10 and consumes at least 20 percent but not more
11 than 22.9 percent less kilowatt hours per year
12 than the 2001 energy conservation standards,

13 “(B) \$75 in the case of a refrigerator
14 which is manufactured in calendar year 2008 or
15 2009, and consumes at least 23 percent but no
16 more than 24.9 percent less kilowatt hours per
17 year than the 2001 energy conservation stand-
18 ards,

19 “(C) \$100 in the case of a refrigerator
20 which is manufactured in calendar year 2008,
21 2009, or 2010, and consumes at least 25 per-
22 cent but not more than 29.9 percent less kilo-
23 watt hours per year than the 2001 energy con-
24 servation standards, and

1 “(D) \$200 in the case of a refrigerator
2 manufactured in calendar year 2008, 2009, or
3 2010 and which consumes at least 30 percent
4 less energy than the 2001 energy conservation
5 standards.”.

6 (b) ELIGIBLE PRODUCTION.—

7 (1) SIMILAR TREATMENT FOR ALL APPLI-
8 ANCES.—Subsection (c) of section 45M (relating to
9 eligible production) is amended—

10 (A) by striking paragraph (2),

11 (B) by striking “(1) IN GENERAL” and all
12 that follows through “the eligible” and inserting
13 “The eligible”, and

14 (C) by moving the text of such subsection
15 in line with the subsection heading and redesign-
16 ating subparagraphs (A) and (B) as para-
17 graphs (1) and (2), respectively.

18 (2) MODIFICATION OF BASE PERIOD.—Para-
19 graph (2) of section 45M(c), as amended by para-
20 graph (1) of this section, is amended by striking “3-
21 calendar year” and inserting “2-calendar year”.

22 (c) TYPES OF ENERGY EFFICIENT APPLIANCES.—
23 Subsection (d) of section 45M (defining types of energy
24 efficient appliances) is amended to read as follows:

1 “(d) TYPES OF ENERGY EFFICIENT APPLIANCE.—
2 For purposes of this section, the types of energy efficient
3 appliances are—

4 “(1) dishwashers described in subsection (b)(1),

5 “(2) clothes washers described in subsection
6 (b)(2), and

7 “(3) refrigerators described in subsection
8 (b)(3).”.

9 (d) AGGREGATE CREDIT AMOUNT ALLOWED.—

10 (1) INCREASE IN LIMIT.—Paragraph (1) of sec-
11 tion 45M(e) (relating to aggregate credit amount al-
12 lowed) is amended to read as follows:

13 “(1) AGGREGATE CREDIT AMOUNT ALLOWED.—

14 The aggregate amount of credit allowed under sub-
15 section (a) with respect to a taxpayer for any tax-
16 able year shall not exceed \$75,000,000 reduced by
17 the amount of the credit allowed under subsection
18 (a) to the taxpayer (or any predecessor) for all prior
19 taxable years beginning after December 31, 2007.”.

20 (2) EXCEPTION FOR CERTAIN REFRIGERATOR

21 AND CLOTHES WASHERS.—Paragraph (2) of section
22 45M(e) is amended to read as follows:

23 “(2) AMOUNT ALLOWED FOR CERTAIN REFRIG-

24 ERATORS AND CLOTHES WASHERS.—Refrigerators
25 described in subsection (b)(3)(D) and clothes wash-

1 ers described in subsection (b)(2)(D) shall not be
2 taken into account under paragraph (1).”.

3 (e) QUALIFIED ENERGY EFFICIENT APPLIANCES.—

4 (1) IN GENERAL.—Paragraph (1) of section
5 45M(f) (defining qualified energy efficient appliance)
6 is amended to read as follows:

7 “(1) QUALIFIED ENERGY EFFICIENT APPLI-
8 ANCE.—The term ‘qualified energy efficient appli-
9 ance’ means—

10 “(A) any dishwasher described in sub-
11 section (b)(1),

12 “(B) any clothes washer described in sub-
13 section (b)(2), and

14 “(C) any refrigerator described in sub-
15 section (b)(3).”.

16 (2) CLOTHES WASHER.—Section 45M(f)(3) (de-
17 fining clothes washer) is amended by inserting
18 “commercial” before “residential” the second place
19 it appears.

20 (3) TOP-LOADING CLOTHES WASHER.—Sub-
21 section (f) of section 45M (relating to definitions) is
22 amended by redesignating paragraphs (4), (5), (6),
23 and (7) as paragraphs (5), (6), (7), and (8), respec-
24 tively, and by inserting after paragraph (3) the fol-
25 lowing new paragraph:

1 “(4) TOP-LOADING CLOTHES WASHER.—The
2 term ‘top-loading clothes washer’ means a clothes
3 washer which has the clothes container compartment
4 access located on the top of the machine and which
5 operates on a vertical axis.”.

6 (4) REPLACEMENT OF ENERGY FACTOR.—Sec-
7 tion 45M(f)(6), as redesignated by paragraph (3), is
8 amended to read as follows:

9 “(6) MODIFIED ENERGY FACTOR.—The term
10 ‘modified energy factor’ means the modified energy
11 factor established by the Department of Energy for
12 compliance with the Federal energy conservation
13 standard.”.

14 (5) GALLONS PER CYCLE; WATER CONSUMP-
15 TION FACTOR.—Section 45M(f) (relating to defini-
16 tions), as amended by paragraph (3), is amended by
17 adding at the end the following:

18 “(9) GALLONS PER CYCLE.—The term ‘gallons
19 per cycle’ means, with respect to a dishwasher, the
20 amount of water, expressed in gallons, required to
21 complete a normal cycle of a dishwasher.

22 “(10) WATER CONSUMPTION FACTOR.—The
23 term ‘water consumption factor’ means, with respect
24 to a clothes washer, the quotient of the total weight-

1 ed per-cycle water consumption divided by the cubic
2 foot (or liter) capacity of the clothes washer.”.

3 (f) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to appliances produced after De-
5 cember 31, 2007.

6 **TITLE VIII—REPEAL OF LIMITA-**
7 **TION ON TAX CREDIT FOR EF-**
8 **FICIENT WINDOWS**

9 **SEC. 801. REPEAL OF SEPARATE DOLLAR LIMITATION AP-**
10 **PLICABLE TO EFFICIENT WINDOWS UNDER**
11 **THE NONBUSINESS ENERGY PROPERTY**
12 **CREDIT.**

13 (a) IN GENERAL.—Section 25C(b) of the Internal
14 Revenue Code of 1986 is amended by striking paragraph
15 (2).

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to expenditures made after Decem-
18 ber 31, 2007.

19 **TITLE IX—NEW DOMESTIC**
20 **SUPPLIES OF OIL AND GAS**
21 **Subtitle A—Arctic National Wildlife**
22 **Refuge**

23 **SEC. 901. SHORT TITLE.**

24 This subtitle may be cited as the “American-Made
25 Energy and Good Jobs Act”.

1 **SEC. 902. DEFINITIONS.**

2 In this subtitle:

3 (1) **COASTAL PLAIN.**—The term “Coastal
4 Plain” means that area described in appendix I to
5 part 37 of title 50, Code of Federal Regulations.

6 (2) **SECRETARY.**—The term “Secretary”, except
7 as otherwise provided, means the Secretary of the
8 Interior or the Secretary’s designee.

9 **SEC. 903. LEASING PROGRAM FOR LANDS WITHIN THE**
10 **COASTAL PLAIN.**

11 (a) **IN GENERAL.**—The Secretary shall take such ac-
12 tions as are necessary—

13 (1) to establish and implement, in accordance
14 with this subtitle and acting through the Director of
15 the Bureau of Land Management in consultation
16 with the Director of the United States Fish and
17 Wildlife Service, a competitive oil and gas leasing
18 program that will result in an environmentally sound
19 program for the exploration, development, and pro-
20 duction of the oil and gas resources of the Coastal
21 Plain; and

22 (2) to administer the provisions of this subtitle
23 through regulations, lease terms, conditions, restric-
24 tions, prohibitions, stipulations, and other provisions
25 that ensure the oil and gas exploration, development,
26 and production activities on the Coastal Plain will

1 result in no significant adverse effect on fish and
2 wildlife, their habitat, subsistence resources, and the
3 environment, including, in furtherance of this goal,
4 by requiring the application of the best commercially
5 available technology for oil and gas exploration, de-
6 velopment, and production to all exploration, devel-
7 opment, and production operations under this sub-
8 title in a manner that ensures the receipt of fair
9 market value by the public for the mineral resources
10 to be leased.

11 (b) REPEAL.—

12 (1) REPEAL.—Section 1003 of the Alaska Na-
13 tional Interest Lands Conservation Act of 1980 (16
14 U.S.C. 3143) is repealed.

15 (2) CONFORMING AMENDMENT.—The table of
16 contents in section 1 of such Act is amended by
17 striking the item relating to section 1003.

18 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
19 TAIN OTHER LAWS.—

20 (1) COMPATIBILITY.—For purposes of the Na-
21 tional Wildlife Refuge System Administration Act of
22 1966 (16 U.S.C. 668dd et seq.), the oil and gas
23 leasing program and activities authorized by this
24 section in the Coastal Plain are deemed to be com-
25 patible with the purposes for which the Arctic Na-

1 tional Wildlife Refuge was established, and no fur-
2 ther findings or decisions are required to implement
3 this determination.

4 (2) ADEQUACY OF THE DEPARTMENT OF THE
5 INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT
6 STATEMENT.—The “Final Legislative Environ-
7 mental Impact Statement” (April 1987) on the
8 Coastal Plain prepared pursuant to section 1002 of
9 the Alaska National Interest Lands Conservation
10 Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)
11 of the National Environmental Policy Act of 1969
12 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-
13 quirements under the National Environmental Policy
14 Act of 1969 that apply with respect to prelease ac-
15 tivities, including actions authorized to be taken by
16 the Secretary to develop and promulgate the regula-
17 tions for the establishment of a leasing program au-
18 thorized by this subtitle before the conduct of the
19 first lease sale.

20 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
21 TIONS.—Before conducting the first lease sale under
22 this subtitle, the Secretary shall prepare an environ-
23 mental impact statement under the National Envi-
24 ronmental Policy Act of 1969 with respect to the ac-
25 tions authorized by this subtitle that are not re-

1 ferred to in paragraph (2). Notwithstanding any
2 other law, the Secretary is not required to identify
3 nonleasing alternative courses of action or to analyze
4 the environmental effects of such courses of action.
5 The Secretary shall only identify a preferred action
6 for such leasing and a single leasing alternative, and
7 analyze the environmental effects and potential miti-
8 gation measures for those two alternatives. The
9 identification of the preferred action and related
10 analysis for the first lease sale under this subtitle
11 shall be completed within 18 months after the date
12 of enactment of this subtitle. The Secretary shall
13 only consider public comments that specifically ad-
14 dress the Secretary's preferred action and that are
15 filed within 20 days after publication of an environ-
16 mental analysis. Notwithstanding any other law,
17 compliance with this paragraph is deemed to satisfy
18 all requirements for the analysis and consideration
19 of the environmental effects of proposed leasing
20 under this subtitle.

21 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
22 ITY.—Nothing in this subtitle shall be considered to ex-
23 pand or limit State and local regulatory authority.

24 (e) SPECIAL AREAS.—

1 (1) IN GENERAL.—The Secretary, after con-
2 sultation with the State of Alaska, the city of
3 Kaktovik, and the North Slope Borough, may des-
4 ignate up to a total of 45,000 acres of the Coastal
5 Plain as a Special Area if the Secretary determines
6 that the Special Area is of such unique character
7 and interest so as to require special management
8 and regulatory protection. The Secretary shall des-
9 ignate as such a Special Area the Sadlerochit Spring
10 area, comprising approximately 4,000 acres.

11 (2) MANAGEMENT.—Each such Special Area
12 shall be managed so as to protect and preserve the
13 area's unique and diverse character including its
14 fish, wildlife, and subsistence resource values.

15 (3) EXCLUSION FROM LEASING OR SURFACE
16 OCCUPANCY.—The Secretary may exclude any Spe-
17 cial Area from leasing. If the Secretary leases a Spe-
18 cial Area, or any part thereof, for purposes of oil
19 and gas exploration, development, production, and
20 related activities, there shall be no surface occu-
21 pancy of the lands comprising the Special Area.

22 (4) DIRECTIONAL DRILLING.—Notwithstanding
23 the other provisions of this subsection, the Secretary
24 may lease all or a portion of a Special Area under
25 terms that permit the use of horizontal drilling tech-

1 nology from sites on leases located outside the Spe-
2 cial Area.

3 (f) LIMITATION ON CLOSED AREAS.—The Sec-
4 retary's sole authority to close lands within the Coastal
5 Plain to oil and gas leasing and to exploration, develop-
6 ment, and production is that set forth in this subtitle.

7 (g) REGULATIONS.—

8 (1) IN GENERAL.—The Secretary shall pre-
9 scribe such regulations as may be necessary to carry
10 out this subtitle, including rules and regulations re-
11 lating to protection of the fish and wildlife, their
12 habitat, subsistence resources, and environment of
13 the Coastal Plain, by no later than 15 months after
14 the date of enactment of this subtitle.

15 (2) REVISION OF REGULATIONS.—The Sec-
16 retary shall periodically review and, if appropriate,
17 revise the rules and regulations issued under sub-
18 section (a) to reflect any significant biological, envi-
19 ronmental, or engineering data that come to the Sec-
20 retary's attention.

21 **SEC. 904. LEASE SALES.**

22 (a) IN GENERAL.—Lands may be leased pursuant to
23 this subtitle to any person qualified to obtain a lease for
24 deposits of oil and gas under the Mineral Leasing Act (30
25 U.S.C. 181 et seq.).

1 (b) PROCEDURES.—The Secretary shall, by regula-
2 tion, establish procedures for—

3 (1) receipt and consideration of sealed nomina-
4 tions for any area in the Coastal Plain for inclusion
5 in, or exclusion (as provided in subsection (e)) from,
6 a lease sale;

7 (2) the holding of lease sales after such nomina-
8 tion process; and

9 (3) public notice of and comment on designa-
10 tion of areas to be included in, or excluded from, a
11 lease sale.

12 (c) LEASE SALE BIDS.—Bidding for leases under
13 this subtitle shall be by sealed competitive cash bonus bids.

14 (d) ACREAGE MINIMUM IN FIRST SALE.—In the first
15 lease sale under this subtitle, the Secretary shall offer for
16 lease those tracts the Secretary considers to have the
17 greatest potential for the discovery of hydrocarbons, tak-
18 ing into consideration nominations received pursuant to
19 subsection (b)(1), but in no case less than 200,000 acres.

20 (e) TIMING OF LEASE SALES.—The Secretary
21 shall—

22 (1) conduct the first lease sale under this sub-
23 title within 22 months after the date of the enact-
24 ment of this subtitle; and

1 (2) conduct additional sales so long as sufficient
2 interest in development exists to warrant, in the Sec-
3 retary's judgment, the conduct of such sales.

4 **SEC. 905. GRANT OF LEASES BY THE SECRETARY.**

5 (a) IN GENERAL.—The Secretary may grant to the
6 highest responsible qualified bidder in a lease sale con-
7 ducted pursuant to section 904 any lands to be leased on
8 the Coastal Plain upon payment by the lessee of such
9 bonus as may be accepted by the Secretary.

10 (b) SUBSEQUENT TRANSFERS.—No lease issued
11 under this subtitle may be sold, exchanged, assigned, sub-
12 let, or otherwise transferred except with the approval of
13 the Secretary. Prior to any such approval the Secretary
14 shall consult with, and give due consideration to the views
15 of, the Attorney General.

16 **SEC. 906. LEASE TERMS AND CONDITIONS.**

17 (a) IN GENERAL.—An oil or gas lease issued pursu-
18 ant to this subtitle shall—

19 (1) provide for the payment of a royalty of not
20 less than 12½ percent in amount or value of the
21 production removed or sold from the lease, as deter-
22 mined by the Secretary under the regulations appli-
23 cable to other Federal oil and gas leases;

24 (2) provide that the Secretary may close, on a
25 seasonal basis, portions of the Coastal Plain to ex-

1 ploratory drilling activities as necessary to protect
2 caribou calving areas and other species of fish and
3 wildlife;

4 (3) require that the lessee of lands within the
5 Coastal Plain shall be fully responsible and liable for
6 the reclamation of lands within the Coastal Plain
7 and any other Federal lands that are adversely af-
8 fected in connection with exploration, development,
9 production, or transportation activities conducted
10 under the lease and within the Coastal Plain by the
11 lessee or by any of the subcontractors or agents of
12 the lessee;

13 (4) provide that the lessee may not delegate or
14 convey, by contract or otherwise, the reclamation re-
15 sponsibility and liability to another person without
16 the express written approval of the Secretary;

17 (5) provide that the standard of reclamation for
18 lands required to be reclaimed under this subtitle
19 shall be, as nearly as practicable, a condition capable
20 of supporting the uses which the lands were capable
21 of supporting prior to any exploration, development,
22 or production activities, or upon application by the
23 lessee, to a higher or better use as approved by the
24 Secretary;

1 (6) contain terms and conditions relating to
2 protection of fish and wildlife, their habitat, subsist-
3 ence resources, and the environment as required
4 pursuant to section 903(a)(2);

5 (7) provide that the lessee, its agents, and its
6 contractors use best efforts to provide a fair share,
7 as determined by the level of obligation previously
8 agreed to in the 1974 agreement implementing sec-
9 tion 29 of the Federal Agreement and Grant of
10 Right of Way for the Operation of the Trans-Alaska
11 Pipeline, of employment and contracting for Alaska
12 Natives and Alaska Native Corporations from
13 throughout the State;

14 (8) prohibit the export of oil produced under
15 the lease; and

16 (9) contain such other provisions as the Sec-
17 retary determines necessary to ensure compliance
18 with the provisions of this subtitle and the regula-
19 tions issued under this subtitle.

20 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
21 as a term and condition of each lease under this subtitle
22 and in recognizing the Government's proprietary interest
23 in labor stability and in the ability of construction labor
24 and management to meet the particular needs and condi-
25 tions of projects to be developed under the leases issued

1 pursuant to this subtitle and the special concerns of the
2 parties to such leases, shall require that the lessee and
3 its agents and contractors negotiate to obtain a project
4 labor agreement for the employment of laborers and me-
5 chanics on production, maintenance, and construction
6 under the lease.

7 **SEC. 907. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

8 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
9 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—
10 The Secretary shall, consistent with the requirements of
11 section 903, administer the provisions of this subtitle
12 through regulations, lease terms, conditions, restrictions,
13 prohibitions, stipulations, and other provisions that—

14 (1) ensure the oil and gas exploration, develop-
15 ment, and production activities on the Coastal Plain
16 will result in no significant adverse effect on fish
17 and wildlife, their habitat, and the environment;

18 (2) require the application of the best commer-
19 cially available technology for oil and gas explo-
20 ration, development, and production on all new ex-
21 ploration, development, and production operations;
22 and

23 (3) ensure that the maximum amount of sur-
24 face acreage covered by production and support fa-
25 cilities, including airstrips and any areas covered by

1 gravel berms or piers for support of pipelines, does
2 not exceed 2,000 acres on the Coastal Plain.

3 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—

4 The Secretary shall also require, with respect to any pro-
5 posed drilling and related activities, that—

6 (1) a site-specific analysis be made of the prob-
7 able effects, if any, that the drilling or related activi-
8 ties will have on fish and wildlife, their habitat, sub-
9 sistence resources, and the environment;

10 (2) a plan be implemented to avoid, minimize,
11 and mitigate (in that order and to the extent prac-
12 ticable) any significant adverse effect identified
13 under paragraph (1); and

14 (3) the development of the plan shall occur
15 after consultation with the agency or agencies hav-
16 ing jurisdiction over matters mitigated by the plan.

17 (c) REGULATIONS TO PROTECT COASTAL PLAIN
18 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
19 AND THE ENVIRONMENT.—Before implementing the leas-
20 ing program authorized by this subtitle, the Secretary
21 shall prepare and promulgate regulations, lease terms,
22 conditions, restrictions, prohibitions, stipulations, and
23 other measures designed to ensure that the activities un-
24 dertaken on the Coastal Plain under this subtitle are con-

1 ducted in a manner consistent with the purposes and envi-
2 ronmental requirements of this subtitle.

3 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
4 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The
5 proposed regulations, lease terms, conditions, restrictions,
6 prohibitions, and stipulations for the leasing program
7 under this subtitle shall require compliance with all appli-
8 cable provisions of Federal and State environmental law,
9 and shall also require the following:

10 (1) Standards at least as effective as the safety
11 and environmental mitigation measures set forth in
12 items 1 through 29 at pages 167 through 169 of the
13 “Final Legislative Environmental Impact State-
14 ment” (April 1987) on the Coastal Plain.

15 (2) Seasonal limitations on exploration, develop-
16 ment, and related activities, where necessary, to
17 avoid significant adverse effects during periods of
18 concentrated fish and wildlife breeding, denning,
19 nesting, spawning, and migration.

20 (3) That exploration activities, except for sur-
21 face geological studies, be limited to the period be-
22 tween approximately November 1 and May 1 each
23 year and that exploration activities shall be sup-
24 ported, if necessary, by ice roads, winter trails with
25 adequate snow cover, ice pads, ice airstrips, and air

1 transport methods, except that such exploration ac-
2 tivities may occur at other times if the Secretary
3 finds that such exploration will have no significant
4 adverse effect on the fish and wildlife, their habitat,
5 and the environment of the Coastal Plain.

6 (4) Design safety and construction standards
7 for all pipelines and any access and service roads,
8 that—

9 (A) minimize, to the maximum extent pos-
10 sible, adverse effects upon the passage of mi-
11 gratory species such as caribou; and

12 (B) minimize adverse effects upon the flow
13 of surface water by requiring the use of cul-
14 verts, bridges, and other structural devices.

15 (5) Prohibitions on general public access and
16 use on all pipeline access and service roads.

17 (6) Stringent reclamation and rehabilitation re-
18 quirements, consistent with the standards set forth
19 in this subtitle, requiring the removal from the
20 Coastal Plain of all oil and gas development and
21 production facilities, structures, and equipment upon
22 completion of oil and gas production operations, ex-
23 cept that the Secretary may exempt from the re-
24 quirements of this paragraph those facilities, struc-
25 tures, or equipment that the Secretary determines

1 would assist in the management of the Arctic Na-
2 tional Wildlife Refuge and that are donated to the
3 United States for that purpose.

4 (7) Appropriate prohibitions or restrictions on
5 access by all modes of transportation.

6 (8) Appropriate prohibitions or restrictions on
7 sand and gravel extraction.

8 (9) Consolidation of facility siting.

9 (10) Appropriate prohibitions or restrictions on
10 use of explosives.

11 (11) Avoidance, to the extent practicable, of
12 springs, streams, and river system; the protection of
13 natural surface drainage patterns, wetlands, and ri-
14 parian habitats; and the regulation of methods or
15 techniques for developing or transporting adequate
16 supplies of water for exploratory drilling.

17 (12) Avoidance or minimization of air traffic-re-
18 lated disturbance to fish and wildlife.

19 (13) Treatment and disposal of hazardous and
20 toxic wastes, solid wastes, reserve pit fluids, drilling
21 muds and cuttings, and domestic wastewater, includ-
22 ing an annual waste management report, a haz-
23 ardous materials tracking system, and a prohibition
24 on chlorinated solvents, in accordance with applica-
25 ble Federal and State environmental law.

1 (14) Fuel storage and oil spill contingency plan-
2 ning.

3 (15) Research, monitoring, and reporting re-
4 quirements.

5 (16) Field crew environmental briefings.

6 (17) Avoidance of significant adverse effects
7 upon subsistence hunting, fishing, and trapping by
8 subsistence users.

9 (18) Compliance with applicable air and water
10 quality standards.

11 (19) Appropriate seasonal and safety zone des-
12 ignations around well sites, within which subsistence
13 hunting and trapping shall be limited.

14 (20) Reasonable stipulations for protection of
15 cultural and archeological resources.

16 (21) All other protective environmental stipula-
17 tions, restrictions, terms, and conditions deemed
18 necessary by the Secretary.

19 (e) CONSIDERATIONS.—In preparing and promul-
20 gating regulations, lease terms, conditions, restrictions,
21 prohibitions, and stipulations under this section, the Sec-
22 retary shall consider the following:

23 (1) The stipulations and conditions that govern
24 the National Petroleum Reserve-Alaska leasing pro-
25 gram, as set forth in the 1999 Northeast National

1 Petroleum Reserve-Alaska Final Integrated Activity
2 Plan/Environmental Impact Statement.

3 (2) The environmental protection standards
4 that governed the initial Coastal Plain seismic explo-
5 ration program under parts 37.31 to 37.33 of title
6 50, Code of Federal Regulations.

7 (3) The land use stipulations for exploratory
8 drilling on the KIC-ASRC private lands that are set
9 forth in Appendix 2 of the August 9, 1983, agree-
10 ment between Arctic Slope Regional Corporation and
11 the United States.

12 (f) FACILITY CONSOLIDATION PLANNING.—

13 (1) IN GENERAL.—The Secretary shall, after
14 providing for public notice and comment, prepare
15 and update periodically a plan to govern, guide, and
16 direct the siting and construction of facilities for the
17 exploration, development, production, and transpor-
18 tation of Coastal Plain oil and gas resources.

19 (2) OBJECTIVES.—The plan shall have the fol-
20 lowing objectives:

21 (A) Avoiding unnecessary duplication of fa-
22 cilities and activities.

23 (B) Encouraging consolidation of common
24 facilities and activities.

1 (C) Locating or confining facilities and ac-
2 tivities to areas that will minimize impact on
3 fish and wildlife, their habitat, and the environ-
4 ment.

5 (D) Utilizing existing facilities wherever
6 practicable.

7 (E) Enhancing compatibility between wild-
8 life values and development activities.

9 (g) ACCESS TO PUBLIC LANDS.—The Secretary
10 shall—

11 (1) manage public lands in the Coastal Plain
12 subject to subsections (a) and (b) of section 811 of
13 the Alaska National Interest Lands Conservation
14 Act (16 U.S.C. 3121); and

15 (2) ensure that local residents shall have rea-
16 sonable access to public lands in the Coastal Plain
17 for traditional uses.

18 **SEC. 908. EXPEDITED JUDICIAL REVIEW.**

19 (a) FILING OF COMPLAINT.—

20 (1) DEADLINE.—Subject to paragraph (2), any
21 complaint seeking judicial review of any provision of
22 this subtitle or any action of the Secretary under
23 this subtitle shall be filed—

1 (A) except as provided in subparagraph
2 (B), within the 90-day period beginning on the
3 date of the action being challenged; or

4 (B) in the case of a complaint based solely
5 on grounds arising after such period, within 90
6 days after the complainant knew or reasonably
7 should have known of the grounds for the com-
8 plaint.

9 (2) VENUE.—Any complaint seeking judicial re-
10 view of any provision of this subtitle or any action
11 of the Secretary under this subtitle may be filed only
12 in the United States Court of Appeals for the Dis-
13 trict of Columbia.

14 (3) LIMITATION ON SCOPE OF CERTAIN RE-
15 VIEW.—Judicial review of a Secretarial decision to
16 conduct a lease sale under this subtitle, including
17 the environmental analysis thereof, shall be limited
18 to whether the Secretary has complied with the
19 terms of this subtitle and shall be based upon the
20 administrative record of that decision. The Sec-
21 retary's identification of a preferred course of action
22 to enable leasing to proceed and the Secretary's
23 analysis of environmental effects under this subtitle
24 shall be presumed to be correct unless shown other-

1 wise by clear and convincing evidence to the con-
2 trary.

3 (b) **LIMITATION ON OTHER REVIEW.**—Actions of the
4 Secretary with respect to which review could have been
5 obtained under this section shall not be subject to judicial
6 review in any civil or criminal proceeding for enforcement.

7 **SEC. 909. FEDERAL AND STATE DISTRIBUTION OF REVE-**
8 **NUES.**

9 (a) **IN GENERAL.**—Notwithstanding any other provi-
10 sion of law, of the amount of adjusted bonus, rental, and
11 royalty revenues from Federal oil and gas leasing and op-
12 erations authorized under this subtitle—

13 (1) 50 percent shall be paid to the State of
14 Alaska; and

15 (2) except as provided in section 912(d), the
16 balance shall be deposited into the Treasury as mis-
17 cellaneous receipts.

18 (b) **PAYMENTS TO ALASKA.**—Payments to the State
19 of Alaska under this section shall be made semiannually.

20 **SEC. 910. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

21 (a) **IN GENERAL.**—The Secretary shall issue rights-
22 of-way and easements across the Coastal Plain for the
23 transportation of oil and gas—

24 (1) except as provided in paragraph (2), under
25 section 28 of the Mineral Leasing Act (30 U.S.C.

1 185), without regard to title XI of the Alaska Na-
2 tional Interest Lands Conservation Act (30 U.S.C.
3 3161 et seq.); and

4 (2) under title XI of the Alaska National Inter-
5 est Lands Conservation Act (30 U.S.C. 3161 et
6 seq.), for access authorized by sections 1110 and
7 1111 of that Act (16 U.S.C. 3170 and 3171).

8 (b) TERMS AND CONDITIONS.—The Secretary shall
9 include in any right-of-way or easement issued under sub-
10 section (a) such terms and conditions as may be necessary
11 to ensure that transportation of oil and gas does not result
12 in a significant adverse effect on the fish and wildlife, sub-
13 sistence resources, their habitat, and the environment of
14 the Coastal Plain, including requirements that facilities be
15 sited or designed so as to avoid unnecessary duplication
16 of roads and pipelines.

17 (c) REGULATIONS.—The Secretary shall include in
18 regulations under section 903(g) provisions granting
19 rights-of-way and easements described in subsection (a)
20 of this section.

21 **SEC. 911. CONVEYANCE.**

22 In order to maximize Federal revenues by removing
23 clouds on title to lands and clarifying land ownership pat-
24 terns within the Coastal Plain, the Secretary, notwith-
25 standing the provisions of section 1302(h)(2) of the Alas-

1 ka National Interest Lands Conservation Act (16 U.S.C.
2 3192(h)(2)), shall convey—

3 (1) to the Kaktovik Inupiat Corporation the
4 surface estate of the lands described in paragraph 1
5 of Public Land Order 6959, to the extent necessary
6 to fulfill the Corporation's entitlement under sec-
7 tions 12 and 14 of the Alaska Native Claims Settle-
8 ment Act (43 U.S.C. 1611 and 1613) in accordance
9 with the terms and conditions of the Agreement be-
10 tween the Department of the Interior, the United
11 States Fish and Wildlife Service, the Bureau of
12 Land Management, and the Kaktovik Inupiat Cor-
13 poration effective January 22, 1993; and

14 (2) to the Arctic Slope Regional Corporation
15 the remaining subsurface estate to which it is enti-
16 tled pursuant to the August 9, 1983, agreement be-
17 tween the Arctic Slope Regional Corporation and the
18 United States of America.

19 **SEC. 912. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
20 **NITY SERVICE ASSISTANCE.**

21 (a) FINANCIAL ASSISTANCE AUTHORIZED.—

22 (1) IN GENERAL.—The Secretary may use
23 amounts available from the Coastal Plain Local Gov-
24 ernment Impact Aid Assistance Fund established by
25 subsection (d) to provide timely financial assistance

1 to entities that are eligible under paragraph (2) and
2 that are directly impacted by the exploration for or
3 production of oil and gas on the Coastal Plain under
4 this subtitle.

5 (2) ELIGIBLE ENTITIES.—The North Slope
6 Borough, the City of Kaktovik, and any other bor-
7 ough, municipal subdivision, village, or other com-
8 munity in the State of Alaska that is directly im-
9 pacted by exploration for, or the production of, oil
10 or gas on the Coastal Plain under this subtitle, as
11 determined by the Secretary, shall be eligible for fi-
12 nancial assistance under this section.

13 (b) USE OF ASSISTANCE.—Financial assistance
14 under this section may be used only for—

15 (1) planning for mitigation of the potential ef-
16 fects of oil and gas exploration and development on
17 environmental, social, cultural, recreational, and sub-
18 sistence values;

19 (2) implementing mitigation plans and main-
20 taining mitigation projects;

21 (3) developing, carrying out, and maintaining
22 projects and programs that provide new or expanded
23 public facilities and services to address needs and
24 problems associated with such effects, including fire-

1 fighting, police, water, waste treatment, medivac,
2 and medical services; and

3 (4) establishment of a coordination office, by
4 the North Slope Borough, in the City of Kaktovik,
5 which shall—

6 (A) coordinate with and advise developers
7 on local conditions, impact, and history of the
8 areas utilized for development; and

9 (B) provide to the Committee on Resources
10 of the House of Representatives and the Com-
11 mittee on Energy and Natural Resources of the
12 Senate an annual report on the status of co-
13 ordination between developers and the commu-
14 nities affected by development.

15 (c) APPLICATION.—

16 (1) IN GENERAL.—Any community that is eligi-
17 ble for assistance under this section may submit an
18 application for such assistance to the Secretary, in
19 such form and under such procedures as the Sec-
20 retary may prescribe by regulation.

21 (2) NORTH SLOPE BOROUGH COMMUNITIES.—A
22 community located in the North Slope Borough may
23 apply for assistance under this section either directly
24 to the Secretary or through the North Slope Bor-
25 ough.

1 (3) APPLICATION ASSISTANCE.—The Secretary
2 shall work closely with and assist the North Slope
3 Borough and other communities eligible for assist-
4 ance under this section in developing and submitting
5 applications for assistance under this section.

6 (d) ESTABLISHMENT OF FUND.—

7 (1) IN GENERAL.—There is established in the
8 Treasury the Coastal Plain Local Government Im-
9 pact Aid Assistance Fund.

10 (2) USE.—Amounts in the fund may be used
11 only for providing financial assistance under this
12 section.

13 (3) DEPOSITS.—Subject to paragraph (4), there
14 shall be deposited into the fund amounts received by
15 the United States as revenues derived from rents,
16 bonuses, and royalties from Federal leases and lease
17 sales authorized under this subtitle.

18 (4) LIMITATION ON DEPOSITS.—The total
19 amount in the fund may not exceed \$11,000,000.

20 (5) INVESTMENT OF BALANCES.—The Sec-
21 retary of the Treasury shall invest amounts in the
22 fund in interest bearing government securities.

23 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-
24 vide financial assistance under this section there is author-
25 ized to be appropriated to the Secretary from the Coastal

1 Plain Local Government Impact Aid Assistance Fund
2 \$5,000,000 for each fiscal year.

3 **Subtitle B—Offshore Oil and Gas**

4 **SEC. 921. TERMINATION OF MORATORIA ON LEASING AND**
5 **PERMITTING.**

6 No prohibition on leasing of Federal submerged lands
7 of the Outer Continental Shelf for exploration, develop-
8 ment, or production of oil or gas, on for the issuance of
9 any permit under Federal law for exploration, develop-
10 ment, or production of oil or gas under a leases for such
11 submerged lands, or on the expenditure of Federal funds
12 with respect to such leasing or issuance, shall have any
13 force or effect.

14 **TITLE X—CLIMATE CHANGE RE-**
15 **SEARCH AND DEVELOPMENT**
16 **FUNDING**

17 **SEC. 1001. APPLIED RESEARCH.**

18 Each Federal agency to which funds have been appro-
19 priated for conducting climate change basic research, as
20 identified by the Office of Management and Budget in its
21 annual report to Congress entitled “Federal Climate
22 Change Expenditures Report to Congress”, may use such
23 funds only for climate change applied research, including
24 research carried out through grants to universities.

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