

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 241, nays 183, not voting 9, as follows:

[Roll No. 597]

YEAS—241

Abercrombie	Gordon	Obey
Ackerman	Green, Al	Olver
Allen	Green, Gene	Ortiz
Altmire	Grijalva	Pallone
Andrews	Gutierrez	Pascarell
Arcuri	Hall (NY)	Pastor
Baca	Hare	Payne
Baird	Harman	Perlmutter
Baldwin	Hastings (FL)	Peterson (MN)
Barrow	Heller	Pomeroy
Bean	Herseht Sandlin	Porter
Becerra	Higgins	Price (NC)
Berkley	Hill	Rahall
Berman	Hinchev	Ramstad
Berry	Hinojosa	Rangel
Bishop (GA)	Hirono	Reichert
Bishop (NY)	Hodes	Reyes
Blumenauer	Holden	Richardson
Boren	Holt	Rodriguez
Boswell	Honda	Ros-Lehtinen
Boucher	Hookey	Ross
Boyd (FL)	Hoyer	Rothman
Boyd (KS)	Inslee	Roybal-Allard
Brady (PA)	Israel	Ruppersberger
Braley (IA)	Jackson (IL)	Rush
Brown, Corrine	Jackson-Lee	Ryan (OH)
Butterfield	(TX)	Salazar
Capps	Jefferson	Sánchez, Linda
Capuano	Johnson (GA)	T.
Cardoza	Johnson, E. B.	Sarbanes
Carnahan	Kagen	Schakowsky
Carney	Kanjorski	Schiff
Carson	Kaptur	Schwartz
Castle	Kennedy	Scott (GA)
Castor	Kildee	Scott (VA)
Cazayoux	Kilpatrick	Serrano
Chandler	Kind	Sestak
Childers	Klein (FL)	Shays
Clarke	Kucinich	Shea-Porter
Clay	Langevin	Sherman
Cleaver	Larsen (WA)	Shuler
Clyburn	Larson (CT)	Sires
Cohen	Lee	Skelton
Conyers	Levin	Slaughter
Cooper	Lewis (GA)	Smith (NJ)
Costa	Lipinski	Smith (WA)
Costello	LoBiondo	Snyder
Courtney	Loeb sack	Solis
Cramer	Lofgren, Zoe	Space
Crowley	Lowey	Speier
Cuellar	Lynch	Spratt
Cummings	Mahoney (FL)	Stupak
Davis (AL)	Maloney (NY)	Stupak
Davis (CA)	Markey	Sutton
Davis (IL)	Marshall	Tanner
Davis, Lincoln	Matheson	Tauscher
DeFazio	Matsui	Taylor
DeGette	McCarthy (NY)	Thompson (CA)
Delahunt	McCollum (MN)	Thompson (MS)
DeLauro	McDermott	Tierney
Dicks	McGovern	Towns
Dingell	McIntyre	Tsongas
Doggett	McNerney	Udall (CO)
Donnelly	McNulty	Udall (NM)
Doyle	Meek (FL)	Van Hollen
Edwards (MD)	Meeks (NY)	Velázquez
Edwards (TX)	Melancon	Visclosky
Ellison	Michaud	Walz (MN)
Ellsworth	Miller (NC)	Wasserman
Emanuel	Miller, George	Schultz
Engel	Mitchell	Waters
Eshoo	Mollohan	Watson
Etheridge	Moore (KS)	Watt
Farr	Moore (WI)	Waxman
Fattah	Moran (VA)	Weiner
Filner	Murphy (CT)	Welch (VT)
Foster	Murphy, Patrick	Wexler
Frank (MA)	Murtha	Wilson (OH)
Gerlach	Nadler	Woolsey
Giffords	Napolitano	Wu
Gillibrand	Neal (MA)	Yarmuth
Gonzalez	Oberstar	

NAYS—183

Aderholt	Frelinghuysen	Musgrave
Akin	Gallely	Myrick
Alexander	Garrett (NJ)	Nunes
Bachmann	Gilchrest	Pearce
Bachus	Gingrey	Pence
Barrett (SC)	Gohmert	Peterson (PA)
Bartlett (MD)	Goode	Petri
Barton (TX)	Goodlatte	Pickering
Biggart	Granger	Platts
Bilbray	Graves	Poe
Bilirakis	Hall (TX)	Price (GA)
Bishop (UT)	Hastings (WA)	Pryce (OH)
Blackburn	Hayes	Putnam
Blunt	Hensarling	Radanovich
Boehner	Herger	Regula
Bonner	Hobson	Rehberg
Bono Mack	Hoekstra	Renzi
Boozman	Hulshof	Reynolds
Boustany	Hunter	Rogers (AL)
Broun (GA)	Inglis (SC)	Rogers (KY)
Brown (SC)	Issa	Rogers (MI)
Brown-Waite,	Johnson (IL)	Rohrabacher
Ginny	Johnson, Sam	Roskam
Buchanan	Jones (NC)	Royce
Burgess	Jordan	Ryan (WI)
Burton (IN)	Keller	Sali
Buyer	King (IA)	Sanchez, Loretta
Calvert	King (NY)	Saxton
Camp (MI)	Kingston	Scalise
Campbell (CA)	Kirk	Schmidt
Cannon	Kline (MN)	Sensenbrenner
Cantor	Knollenberg	Sessions
Capito	Kuhl (NY)	Shadegg
Carter	LaHood	Shimkus
Chabot	Lamborn	Shuster
Coble	Latham	Simpson
Cole (OK)	LaTourette	Smith (NE)
Ross	Latta	Smith (TX)
Crenshaw	Lewis (CA)	Souder
Culberson	Lewis (KY)	Stark
Davis (KY)	Linder	Stearns
Davis, David	Lucas	Sullivan
Davis, Tom	Lungren, Daniel	Tancredo
Deal (GA)	E.	Terry
Dent	Mack	Thornberry
Diaz-Balart, L.	Manzullo	Tiahrt
Diaz-Balart, M.	Marchant	Tiberi
Doolittle	McCarthy (CA)	Turner
Drake	McCaul (TX)	Upton
Duncan	McCotter	Walden (OR)
Emerson	McCreary	Walsh (NY)
English (PA)	McHenry	Wamp
Everett	McHugh	Weldon (FL)
Fallin	McKeon	Weller
Feeney	McMorris	Westmoreland
Ferguson	Rodgers	Whitfield (KY)
Flake	Mica	Wilson (NM)
Forbes	Miller (FL)	Wilson (SC)
Fortenberry	Miller (MI)	Wittman (VA)
Fossella	Miller, Gary	Wolf
Fox	Moran (KS)	Young (AK)
Franks (AZ)	Murphy, Tim	Young (FL)

NOT VOTING—9

Brady (TX)	Ehlers	Paul
Cubin	Lampson	Pitts
Dreier	Neugebauer	Walberg

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1647

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3036, NO CHILD LEFT INSIDE ACT OF 2008

Mr. HASTINGS of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 110-854) on the resolution (H. Res. 1441) providing for

consideration of the bill (H.R. 3036) to amend the Elementary and Secondary Education Act of 1965 regarding environmental education, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### COMPREHENSIVE AMERICAN ENERGY SECURITY AND CONSUMER PROTECTION ACT

Mr. RAHALL. Mr. Speaker, pursuant to House Resolution 1433, I call up the bill (H.R. 6899) to advance the national security interests of the United States by reducing its dependency on oil through renewable and clean, alternative fuel technologies while building a bridge to the future through expanded access to Federal oil and natural gas resources, revising the relationship between the oil and gas industry and the consumers who own those resources and deserve a fair return from the development of publicly owned oil and gas, ending tax subsidies for large oil and gas companies, and facilitating energy efficiencies in the building, housing, and transportation sectors, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6899

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Comprehensive American Energy Security and Consumer Protection Act”.

#### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—FEDERAL OIL AND GAS LEASING

##### Subtitle A—Outer Continental Shelf Oil and Gas Leasing

Sec. 101. Prohibition on leasing.

Sec. 102. Opening of certain areas to oil and gas leasing.

Sec. 103. Coastal State roles and responsibilities.

Sec. 104. Protection of the environment and conservation of the natural resources of the Outer Continental Shelf.

Sec. 105. Limitations.

Sec. 106. Prohibition on leasing in certain Federal protected areas.

Sec. 107. No effect on applicable law.

Sec. 108. Buy American requirements.

Sec. 109. Small, woman-owned, and minority-owned businesses.

Sec. 110. Definitions.

##### Subtitle B—Diligent Development of Federal Oil and Gas Leases

Sec. 121. Clarification.

Sec. 122. Covered provisions.

Sec. 123. Regulations.

Sec. 124. Resource estimates and leasing program management indicators.

##### Subtitle C—Royalties Under Offshore Oil and Gas Leases

Sec. 131. Short title.

Sec. 132. Price thresholds for royalty suspension provisions.

- Sec. 133. Clarification of authority to impose price thresholds for certain lease sales.
- Sec. 134. Eligibility for new leases and the transfer of leases; conservation of resources fees.
- Sec. 135. Strategic Energy Efficiency and Renewables Reserve.
- Subtitle D—Accountability and Integrity in the Federal Energy Program
- Sec. 141. Royalty in-kind.
- Sec. 142. Fair return on production of Federal oil and gas resources.
- Sec. 143. Royalty-in-kind ethics.
- Sec. 144. Prohibition on certain gifts.
- Sec. 145. Strengthening the ability of the Interior Department Inspector General to secure cooperation.
- Subtitle E—Federal Oil and Gas Royalty Reform
- Sec. 151. Amendments to definitions.
- Sec. 152. Interest.
- Sec. 153. Obligation period.
- Sec. 154. Tolling agreements and subpoenas.
- Sec. 155. Liability for royalty payments.
- Subtitle F—National Petroleum Reserve in Alaska
- Sec. 161. Short title.
- Sec. 162. Acceleration of lease sales for National Petroleum Reserve in Alaska.
- Sec. 163. National Petroleum Reserve in Alaska: pipeline construction.
- Sec. 164. Alaska natural gas pipeline project facilitation.
- Sec. 165. Project labor agreements and other pipeline requirements.
- Sec. 166. Ban on export of Alaskan oil.
- Subtitle G—Oil Shale
- Sec. 171. Oil shale leasing.
- TITLE II—CONSUMER ENERGY SUPPLY**
- Sec. 201. Short title.
- Sec. 202. Definitions.
- Sec. 203. Sale and replacement of oil from the Strategic Petroleum Reserve.
- TITLE III—PUBLIC TRANSPORTATION**
- Sec. 301. Short title.
- Sec. 302. Findings.
- Sec. 303. Grants to improve public transportation services.
- Sec. 304. Increased Federal share for Clean Air Act compliance.
- Sec. 305. Transportation fringe benefits.
- Sec. 306. Capital cost of contracting vanpool pilot program.
- Sec. 307. National consumer awareness program.
- Sec. 308. Exception to alternative fuel procurement requirement.
- TITLE IV—GREATER ENERGY EFFICIENCY IN BUILDING CODES**
- Sec. 401. Greater energy efficiency in building codes.
- TITLE V—FEDERAL RENEWABLE ELECTRICITY STANDARD**
- Sec. 501. Federal renewable electricity standard.
- TITLE VI—GREEN RESOURCES FOR ENERGY EFFICIENT NEIGHBORHOODS**
- Sec. 601. Short title and table of contents.
- Sec. 602. Definitions.
- Sec. 603. Implementation of energy efficiency participation incentives for HUD programs.
- Sec. 604. Minimum HUD energy efficiency standards and standards for additional credit.
- Sec. 605. Energy efficiency and conservation demonstration program for multifamily housing projects assisted with project-based rental assistance.
- Sec. 606. Additional credit for Fannie Mae and Freddie Mac housing goals for energy efficient mortgages.
- Sec. 607. Duty to serve underserved markets for energy-efficient and location-efficient mortgages.
- Sec. 608. Consideration of energy efficiency under FHA mortgage insurance programs and Native American and Native Hawaiian loan guarantee programs.
- Sec. 609. Energy efficient mortgages education and outreach campaign.
- Sec. 610. Collection of information on energy-efficient and location efficient mortgages through Home Mortgage Disclosure Act.
- Sec. 611. Ensuring availability of homeowners insurance for homes not connected to electricity grid.
- Sec. 612. Mortgage incentives for energy-efficient multifamily housing.
- Sec. 613. Energy efficiency certifications for housing with mortgages insured by FHA.
- Sec. 614. Assisted housing energy loan pilot program.
- Sec. 615. Residential energy efficiency block grant program.
- Sec. 616. Including sustainable development in comprehensive housing affordability strategies.
- Sec. 617. Grant program to increase sustainable low-income community development capacity.
- Sec. 618. Utilization of energy performance contracts in HOPE VI.
- Sec. 619. HOPE VI green developments requirement.
- Sec. 620. Consideration of energy-efficiency improvements in appraisals.
- Sec. 621. Assistance for Housing Assistance Council.
- Sec. 622. Rural housing and economic development assistance.
- Sec. 623. Loans to States and Indian tribes to carry out renewable energy sources activities.
- Sec. 624. Green banking centers.
- Sec. 625. Public housing energy cost report.
- TITLE VII—MISCELLANEOUS PROVISIONS**
- Sec. 701. Alternative fuel pumps.
- Sec. 702. National Energy Center of Excellence.
- Sec. 703. Sense of Congress regarding renewable biomass.
- TITLE VIII—ENERGY TAX INCENTIVES**
- Sec. 800. Short title, etc.
- Subtitle A—Energy Production Incentives
- PART 1—RENEWABLE ENERGY INCENTIVES**
- Sec. 801. Renewable energy credit.
- Sec. 802. Production credit for electricity produced from marine renewables.
- Sec. 803. Energy credit.
- Sec. 804. Credit for residential energy efficient property.
- Sec. 805. Special rule to implement FERC and State electric restructuring policy.
- Sec. 806. New clean renewable energy bonds.
- PART 2—CARBON MITIGATION PROVISIONS**
- Sec. 811. Expansion and modification of advanced coal project investment credit.
- Sec. 812. Expansion and modification of coal gasification investment credit.
- Sec. 813. Temporary increase in coal excise tax.
- Sec. 814. Special rules for refund of the coal excise tax to certain coal producers and exporters.
- Sec. 815. Carbon audit of the tax code.
- Subtitle B—Transportation and Domestic Fuel Security Provisions
- Sec. 821. Inclusion of cellulosic biofuel in bonus depreciation for biomass ethanol plant property.
- Sec. 822. Credits for biodiesel and renewable diesel.
- Sec. 823. Clarification that credits for fuel are designed to provide an incentive for United States production.
- Sec. 824. Credit for new qualified plug-in electric drive motor vehicles.
- Sec. 825. Exclusion from heavy truck tax for idling reduction units and advanced insulation.
- Sec. 826. Restructuring of New York Liberty Zone tax credits.
- Sec. 827. Transportation fringe benefit to bicycle commuters.
- Sec. 828. Alternative fuel vehicle refueling property credit.
- Sec. 829. Energy security bonds.
- Sec. 830. Certain income and gains relating to alcohol fuels and mixtures, biodiesel fuels and mixtures, and alternative fuels and mixtures treated as qualifying income for publicly traded partnerships.
- Subtitle C—Energy Conservation and Efficiency Provisions
- Sec. 841. Qualified energy conservation bonds.
- Sec. 842. Credit for nonbusiness energy property.
- Sec. 843. Energy efficient commercial buildings deduction.
- Sec. 844. Modifications of energy efficient appliance credit for appliances produced after 2007.
- Sec. 845. Accelerated recovery period for depreciation of smart meters and smart grid systems.
- Sec. 846. Qualified green building and sustainable design projects.
- Subtitle D—Revenue Provisions
- Sec. 851. Limitation of deduction for income attributable to domestic production of oil, gas, or primary products thereof.
- Sec. 852. Clarification of determination of foreign oil and gas extraction income.
- Sec. 853. Time for payment of corporate estimated taxes.
- TITLE I—FEDERAL OIL AND GAS LEASING**
- Subtitle A—Outer Continental Shelf Oil and Gas Leasing**
- SEC. 101. PROHIBITION ON LEASING.**
- (a) PROHIBITION.—The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) notwithstanding, the Secretary shall not take nor authorize any action related to oil and gas preleasing or leasing of any area of the Outer Continental Shelf that was not available for oil and gas leasing as of July 1, 2008, unless that action is expressly authorized by this subtitle or a statute enacted by Congress after the date of enactment of this Act.
- (b) TREATMENT OF AREAS IN GULF OF MEXICO.—For purposes of this subtitle, such action with respect to an area referred to in section 104(a) of the Gulf of Mexico Energy Security Act of 2006 (title I of division C of Public Law 109-432; 42 U.S.C. 1331 note) taken or authorized after the period referred to in that section shall be treated as authorized by this subtitle, and such leasing of such area shall be treated as authorized under section 102(a).
- SEC. 102. OPENING OF CERTAIN AREAS TO OIL AND GAS LEASING.**
- (a) LEASING AUTHORIZED.—The Secretary may offer for oil and gas leasing, preleasing,

or other related activities, in accordance with this section and the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) and subject to subsection (b) of this section, section 103 of this Act, and section 307 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456), any area—

(1) that is in any Outer Continental Shelf Planning Area in the Atlantic Ocean or Pacific Ocean that is located farther than 50 miles from the coastline; and

(2) that was not otherwise available for oil and gas leasing, preleasing, and other related activities as of July 1, 2008.

(b) **INCLUSION IN LEASING PROGRAM REQUIRED.**—An area may be offered for lease under this section only if it has been included in an Outer Continental Shelf leasing program approved by the Secretary in accordance with section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(c) **REQUIREMENT TO CONDUCT LEASE SALES.**—As soon as practicable, consistent with subsection (b) and section 103(a), but not later than 3 years after the date of enactment of this Act, and as appropriate thereafter, the Secretary shall conduct oil and gas lease sales under the Outer Continental Shelf lands Act (43 U.S.C. 1331 et seq.) for areas that are made available for leasing by this section.

**SEC. 103. COASTAL STATE ROLES AND RESPONSIBILITIES.**

(a) **STATE APPROVAL OF CERTAIN LEASING REQUIRED.**—The Secretary may not conduct any oil and gas leasing or preleasing activity in any area made available for oil and gas leasing by section 102(a) that is located within 100 miles from the coastline and within the seaward lateral boundaries of an adjacent State, unless the adjacent State has enacted a law approving of the issuance of such leasing by the Secretary.

(b) **CONSULTATION WITH ADJACENT AND NEIGHBORING STATES.**—

(1) **IN GENERAL.**—In addition to the consultation provided for under section 19 of the Outer Continental Shelf Lands Act (43 U.S.C. 1345), the Governor of a State that has a coastline within 100 miles of an area of the Outer Continental Shelf being considered for oil and gas leasing and made available for such leasing by section 102(a) may submit recommendations to the Secretary with respect to—

(A) the size, timing, or location of a proposed lease sale; or

(B) a proposed development and production plan.

(2) **REQUIREMENTS.**—Subsections (b), (c), and (d) of section 19 of the Outer Continental Shelf Lands Act (43 U.S.C. 1345) shall apply to the recommendations provided for in paragraph (1).

**SEC. 104. PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF THE NATURAL RESOURCES OF THE OUTER CONTINENTAL SHELF.**

The Secretary—

(1) shall ensure that any activity under this subtitle is carried out in a manner that provides for the protection of the coastal environment, marine environment, and human environment of State coastal zones and the Outer Continental Shelf; and

(2) shall review all Federal regulations that are otherwise applicable to activities authorized by this subtitle to ensure environmentally sound oil and gas operations on the Outer Continental Shelf.

**SEC. 105. LIMITATIONS.**

(a) **COMPLIANCE WITH MEMORANDUM.**—Any oil and gas leasing of areas of the Outer Continental Shelf shall be conducted in accordance with the document entitled “Memorandum of Agreement between the Department of Defense and the Department of the

Interior on Mutual Concerns On The Outer Continental Shelf” and dated July 2, 1983, and such revisions thereto as may be agreed to by the Secretary of Defense and the Secretary of the Interior; except that no such revisions may be made prior to January 21, 2009.

(b) **NATIONAL SECURITY.**—Notwithstanding subsection (a), the United States reserves the right to designate by and through the Secretary of Defense, with the approval of the President, national defense areas on the Outer Continental Shelf pursuant to section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

**SEC. 106. PROHIBITION ON LEASING IN CERTAIN FEDERAL PROTECTED AREAS.**

(a) **IN GENERAL.**—Notwithstanding any other provision of this or any other Federal law, no lease or other authorization may be issued by the Federal Government that authorizes exploration, development, or production of oil or natural gas in—

(1) any marine national monument or national marine sanctuary; or

(2) the fishing grounds known as Georges Bank in the waters of the United States, which is one of the largest and historically important fishing grounds of the United States.

(b) **IDENTIFICATION OF COORDINATES OF GEORGES BANK.**—The Secretary of Commerce, after publication of public notice and an opportunity for public comment, shall identify the specific coordinates that delineate Georges Bank in the waters of the United States for purposes of subsection (a).

**SEC. 107. NO EFFECT ON APPLICABLE LAW.**

Except as otherwise specifically provided in this subtitle, nothing in this subtitle waives or modifies any applicable environmental or other law.

**SEC. 108. BUY AMERICAN REQUIREMENTS.**

(a) **IN GENERAL.**—It is the intent of Congress that this Act, among other things, result in a healthy and growing American industrial, manufacturing, transportation, and service sector employing the vast talents of America’s workforce to assist in the development of energy from domestic sources. Moreover, the Congress intends to monitor the deployment of personnel and material onshore and offshore to encourage the development of American technology and manufacturing to enable United States workers to benefit from this Act by good jobs and careers, as well as the establishment of important industrial facilities to support expanded access to American resources.

(b) **SAFEGUARD FOR EXTRAORDINARY ABILITY.**—Section 30(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356(a)) is amended in the matter preceding paragraph (1) by striking “regulations which” and inserting “regulations that shall be supplemental and complimentary with and under no circumstances a substitution for the provisions of the Constitution and laws of the United States extended to the subsoil and seabed of the outer Continental Shelf pursuant to section 4 of this Act, except insofar as such laws would otherwise apply to individuals who have extraordinary ability in the sciences, arts, education, or business, which has been demonstrated by sustained national or international acclaim, and that”.

**SEC. 109. SMALL, WOMAN-OWNED, AND MINORITY-OWNED BUSINESSES.**

Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) is amended by adding at the end the following:

“(q) **OPPORTUNITIES FOR LEASING.**—The Secretary shall establish goals to ensure equal opportunity to bid on offshore leases for qualified small, women-owned, and minority-owned exploration and production companies and may implement, where appro-

priate, outreach programs for qualified historically underutilized exploration and production companies to participate in the bidding process for offshore leases.”.

**SEC. 110. DEFINITIONS.**

In this subtitle:

(1) **ADJACENT STATE.**—The term “adjacent State” means, with respect to any program, plan, lease sale, leased tract, or other activity, proposed, conducted, or approved in accordance with the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the State, the laws of which are declared pursuant to section 4(a)(2) of the Outer Continental Shelf Lands Act (43 U.S.C. 1333(a)(2)) to be the law of the United States for the portion of the Outer Continental Shelf on which the program, plan, lease sale, leased tract, or activity is, or is proposed to be, conducted.

(2) **COASTAL ENVIRONMENT.**—The term “coastal environment” has the meaning given that term in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(3) **COASTAL ZONE.**—The term “coastal zone” has the meaning given that term in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(4) **COASTLINE.**—The term “coastline” has the meaning given the term “coast line” under section 2 of the Submerged Lands Act (43 U.S.C. 1301).

(5) **HUMAN ENVIRONMENT.**—The term “human environment” has the meaning given that term in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(6) **MARINE ENVIRONMENT.**—The term “marine environment” has the meaning given that term in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(7) **OUTER CONTINENTAL SHELF.**—The term “Outer Continental Shelf” has the meaning given the term “outer Continental Shelf” under section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(8) **SEAWARD LATERAL BOUNDARY.**—The term “seaward lateral boundary” means a boundary drawn by the Minerals Management Service in the Federal Register notice of January 3, 2006 (vol 71, no. 1).

(9) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

**Subtitle B—Diligent Development of Federal Oil and Gas Leases**

**SEC. 121. CLARIFICATION.**

The lands subject to each lease that authorizes the exploration for or development or production of oil or natural gas that is issued under a provision of law described in section 122 shall be diligently developed for such production by the person holding the lease in order to ensure timely production from the lease.

**SEC. 122. COVERED PROVISIONS.**

The provisions referred to in section 121 are the following:

(1) Section 17 of the Mineral Leasing Act (30 U.S.C. 226).

(2) Section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a).

(3) The Outer Continental Shelf Lands Act (43 11 U.S.C. 1331 et seq.).

(4) The Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.).

**SEC. 123. REGULATIONS.**

The Secretary shall issue regulations within 180 days after the date of enactment of this Act that establish what constitutes diligently developing for purposes of this subtitle.

**SEC. 124. RESOURCE ESTIMATES AND LEASING PROGRAM MANAGEMENT INDICATORS.**

(a) **IN GENERAL.**—The Secretary of the Interior shall annually collect and report to Congress—

(1) the number of leases and the number of acres of land under Federal onshore oil and gas lease, per State and per year the lease was issued—

(A) on which seismic exploration activity is occurring or has occurred;

(B) on which permits to drill have been applied for, but not yet awarded;

(C) on which permits to drill have been approved, but no drilling has yet occurred;

(D) on which wells have been drilled but no production has occurred; and

(E) on which production is occurring;

(2) resource estimates for and the number of acres of Federal onshore and offshore lands, by State or offshore planning area—

(A) under lease, per year the lease was issued;

(B) under lease and not producing, per year the lease was issued;

(C) under lease and drilled, but not producing, per year the lease was issued;

(D) offered for lease in a lease sale conducted during the previous year, but not leased; and

(E) available for leasing but not under lease or offered for leasing in the previous year;

(3) resource estimates for and the number of acres of unleased Federal onshore and offshore land available for oil and gas leasing;

(4) resource estimates for and the number of acres of areas of the Outer Continental Shelf—

(A) included in proposed sale areas in the most recent 5-year plan developed by the Secretary pursuant to section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(B) available for oil and gas leasing but not included in the 5-year plan;

(5) the number of leases and the number of acres of Federal onshore land, per Bureau of Land Management field office, offered in a lease sale conducted during the previous year, including data on the number of protests filed and how many lease tracts were withdrawn as a result of such protests, and how many leases were offered and issued with stipulations as a result of those protests, including the name of the entity or entities filing the protests;

(6) the number of applications for permits to drill received, approved, pending, and denied, in the previous year per Bureau of Land Management and Minerals Management Service field office;

(7) the number of environmental inspections conducted per State and per Bureau of Land Management and Minerals Management Service field office in the previous year; and

(8) the number of full time staff equivalent (FTEs) devoted to permit processing and oversight per Bureau of Land Management and Minerals Management Service field office.

(b) COVERED PROVISIONS.—Subsection (a) shall apply with respect to leases and land eligible for leasing pursuant to—

(1) section 17 of the Mineral Leasing Act (30 U.S.C. 226);

(2) the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.);

(3) section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a); or

(4) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

#### Subtitle C—Royalties Under Offshore Oil and Gas Leases

##### SEC. 131. SHORT TITLE.

This subtitle may be cited as the “Royalty Relief for American Consumers Act of 2008”.

##### SEC. 132. PRICE THRESHOLDS FOR ROYALTY SUSPENSION PROVISIONS.

The Secretary of the Interior shall agree to a request by any lessee to amend any oil and

gas lease issued for any Gulf of Mexico tract during the period of January 1, 1998, through December 31, 1999, to incorporate price thresholds applicable to royalty suspension provisions, that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)). Any amended lease shall impose the new or revised price thresholds effective October 1, 2006. Existing lease provisions shall prevail through September 30, 2006.

##### SEC. 133. CLARIFICATION OF AUTHORITY TO IMPOSE PRICE THRESHOLDS FOR CERTAIN LEASE SALES.

Congress reaffirms the authority of the Secretary of the Interior under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104-58; 43 U.S.C. 1337 note).

##### SEC. 134. ELIGIBILITY FOR NEW LEASES AND THE TRANSFER OF LEASES; CONSERVATION OF RESOURCES FEES.

###### (a) ISSUANCE OF NEW LEASES.—

(1) IN GENERAL.—The Secretary shall not issue any new lease that authorizes the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) to a person described in paragraph (2) unless—

(A) the person has renegotiated each covered lease with respect to which the person is a lessee, to modify the payment responsibilities of the person to include price thresholds that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)); or

(B) the person has—

(i) paid all fees established by the Secretary under subsection (b) that are due with respect to each covered lease for which the person is a lessee; or

(ii) entered into an agreement with the Secretary under which the person is obligated to pay such fees.

(2) PERSONS DESCRIBED.—A person referred to in paragraph (1) is a person that—

(A) is a lessee that—

(i) holds a covered lease on the date on which the Secretary considers the issuance of the new lease; or

(ii) was issued a covered lease before the date of enactment of this Act, but transferred the covered lease to another person or entity (including a subsidiary or affiliate of the lessee) after the date of enactment of this Act; or

(B) any other person or entity who has any direct or indirect interest in, or who derives any benefit from, a covered lease;

(3) MULTIPLE LESSEES.—

(A) IN GENERAL.—For purposes of paragraph (1), if there are multiple lessees that own a share of a covered lease, the Secretary may implement separate agreements with any lessee with a share of the covered lease that modifies the payment responsibilities with respect to the share of the lessee to include price thresholds that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(B) TREATMENT OF SHARE AS COVERED LEASE.—Beginning on the effective date of an agreement under subparagraph (A), any share subject to the agreement shall not constitute a covered lease with respect to any lessees that entered into the agreement.

(b) CONSERVATION OF RESOURCES FEES.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the

Secretary of the Interior by regulation shall establish—

(A) a conservation of resources fee for producing Federal oil and gas leases in the Gulf of Mexico; and

(B) a conservation of resources fee for non-producing Federal oil and gas leases in the Gulf of Mexico.

(2) PRODUCING LEASE FEE TERMS.—The fee under paragraph (1)(A)—

(A) subject to subparagraph (C), shall apply to covered leases that are producing leases;

(B) shall be set at \$9 per barrel for oil and \$1.25 per million Btu for gas, respectively, in 2005 dollars; and

(C) shall apply only to production of oil or gas occurring—

(i) in any calendar year in which the arithmetic average of the daily closing prices for light sweet crude oil on the New York Mercantile Exchange (NYMEX) exceeds \$34.73 per barrel for oil and \$4.34 per million Btu for gas in 2005 dollars; and

(ii) on or after October 1, 2006.

(3) NONPRODUCING LEASE FEE TERMS.—The fee under paragraph (1)(B)—

(A) subject to subparagraph (C), shall apply to leases that are nonproducing leases;

(B) shall be set at \$3.75 per acre per year in 2005 dollars; and

(C) shall apply on and after October 1, 2006.

(4) TREATMENT OF RECEIPTS.—Amounts received by the United States as fees under this subsection shall be treated as offsetting receipts.

(c) TRANSFERS.—A lessee or any other person who has any direct or indirect interest in, or who derives a benefit from, a lease shall not be eligible to obtain by sale or other transfer (including through a swap, spinoff, servicing, or other agreement) any covered lease, the economic benefit of any covered lease, or any other lease for the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), unless—

(1) the lessee or other person has—

(A) renegotiated all covered leases of the lessee or other person; and

(B) entered into an agreement with the Secretary to modify the terms of all covered leases of the lessee or other person to include limitations on royalty relief based on market prices that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)); or

(2) the lessee or other person has—

(A) paid all fees established by the Secretary under subsection (b) that are due with respect to each covered lease for which the person is a lessee; or

(B) entered into an agreement with the Secretary under which the person is obligated to pay such fees.

(d) DEFINITIONS.—In this section—

(1) COVERED LEASE.—The term “covered lease” means a lease for oil or gas production in the Gulf of Mexico that is—

(A) in existence on the date of enactment of this Act;

(B) issued by the Department of the Interior under section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note; Public Law 104-58); and

(C) not subject to limitations on royalty relief based on market price that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(2) LESSEE.—The term “lessee” includes any person or other entity that controls, is controlled by, or is in or under common control with, a lessee.

(3) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

**SEC. 135. STRATEGIC ENERGY EFFICIENCY AND RENEWABLES RESERVE.**

(a) IN GENERAL.—For budgetary purposes, the net increase in Federal receipts by reason of the enactment of this Act shall be held in a separate account to be known as the “Strategic Energy Efficiency and Renewables Reserve”. The Strategic Energy Efficiency and Renewables Reserve shall be available to offset the cost of subsequent legislation—

(1) to accelerate the use of clean domestic renewable energy resources and alternative fuels;

(2) to promote the utilization of energy-efficient products and practices and energy conservation;

(3) to increase research, development, and deployment of clean renewable energy and efficiency technologies;

(4) to provide increased assistance for low income home energy and weatherization programs;

(5) to further the purposes set forth in section 1(b) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4); and

(6) to increase research, development, and demonstration of carbon capture and sequestration technologies.

**(b) PROCEDURE FOR ADJUSTMENTS.—**

(1) BUDGET COMMITTEE CHAIRMAN.—After the reporting of a bill or joint resolution, or the offering of an amendment thereto or the submission of a conference report thereon, providing funding for the purposes set forth in subsection (a) in excess of the amounts provided for those purposes for fiscal year 2007, the chairman of the Committee on the Budget of the applicable House of Congress shall make the adjustments set forth in paragraph (2) for the amount of new budget authority and outlays in that measure and the outlays flowing from that budget authority.

(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to—

(A) the discretionary spending limits, if any, set forth in the appropriate concurrent resolution on the budget;

(B) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) of Congressional Budget Act of 1974; and

(C) the budget aggregates contained in the appropriate concurrent resolution on the budget as required by section 301(a) of Congressional Budget Act of 1974.

(3) AMOUNTS OF ADJUSTMENTS.—The adjustments referred to in paragraphs (1) and (2) shall not exceed the total of the receipts over a 10-year period, as estimated by the Congressional Budget Office upon the enactment of this Act.

**Subtitle D—Accountability and Integrity in the Federal Energy Program****SEC. 141. ROYALTY IN-KIND.**

Section 342(d) of the Energy Policy Act of 2005 (42 U.S.C. 15902(d)) is amended to read as follows:

“(d) BENEFIT TO THE UNITED STATES REQUIRED.—The Secretary may receive oil or gas royalties in-kind only if the Secretary determines that receiving royalties in-kind provides benefits to the United States that are greater than or equal to the benefits that would likely be received if the royalties were taken in-value, and if the Secretary determines that receiving royalties in-kind is consistent with the fiduciary duties of the Secretary on behalf of the American people.”.

**SEC. 142. FAIR RETURN ON PRODUCTION OF FEDERAL OIL AND GAS RESOURCES.**

(a) ROYALTY PAYMENTS.—The Secretary of the Interior shall take all steps necessary to ensure that lessees under leases for explo-

ration, development, and production of oil and natural gas on Federal lands, including leases under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.), the Outer Continental Shelf Lands Act (30 U.S.C. 1331 et seq.), and all other mineral leasing laws, are making prompt, transparent, and accurate royalty payments under such leases.

(b) RECOMMENDATIONS FOR LEGISLATIVE ACTION.—In order to facilitate implementation of subsection (a), the Secretary of the Interior shall, within 180 days after the date of enactment of this Act and in consultation with the affected States, prepare and transmit to Congress recommendations for legislative action to improve the accurate collection of Federal oil and gas royalties.

**SEC. 143. ROYALTY-IN-KIND ETHICS.****(a) GIFT BAN.—**

(1) PROHIBITION.—No employee of the Minerals Management Service may—

(A) accept gifts of any value from any prohibited source; or

(B) seek, accept, or hold employment with any prohibited source.

(2) PENALTY.—Any person who violates paragraph (1) shall be subject to such penalties as the Secretary of the Interior considers appropriate, which may include suspension without pay or termination.

(b) TRAINING.—The Secretary of the Interior shall implement a robust ethics training program for employees of the Royalty-In-Kind division of the Minerals Management Service that is in addition to the standard ethics training that such employees are already required to attend. Such additional training program shall require written certification by each such employee that the employee knows and understands the ethics requirements by which the employee is bound.

(c) CODE OF ETHICS.—The Secretary of the Interior shall promulgate, within 180 days after the date of the enactment of this Act, a code of ethics for all employees of the Minerals Management Service. The code of ethics shall provide clear direction relating to the obligations, prohibitions, and consequences of misconduct.

(d) DRUG TESTING.—The Secretary of the Interior shall, within 180 days after the date of the enactment of this Act, implement a random drug testing program for the employees of the royalty-in-kind division of the Minerals Management Service.

**(e) DEFINITIONS.—In this section:**

(1) GIFT.—The term “gift”—

(A) includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value; and

(B) includes services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

(2) PROHIBITED SOURCE.—The term “prohibited source” means, with respect to an employee, any person who—

(A) is seeking official action by the Minerals Management Service;

(B) does business or seeks to do business with the Minerals Management Service;

(C) conducts activities regulated by the Minerals Management Service;

(D) has interests that may be substantially affected by performance or nonperformance of the employee’s official duties; or

(E) is an organization a majority of whose members are described in any of subparagraphs (A) through (D).

(f) OTHER ETHICS REQUIREMENTS APPLY.—The prohibitions and requirements under

this section are to be in addition to any other requirements that apply to employees of the Minerals Management Service.

**SEC. 144. PROHIBITION ON CERTAIN GIFTS.**

Section 201 of title 18, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f); and

(2) by inserting after subsection (c) the following new subsection:

“(d)(1) Whoever—

“(A) seeking or holding one or more leases of property from the United States, through the Minerals Management Service of the Department of the Interior, for purposes of oil or mineral extraction, knowingly engages in a course of conduct that consists of providing things of value to a public official of, or person who has been selected to be a public official of, the Minerals Management Service, because of the official’s or person’s position in the Minerals Management Service; or

“(B) being a public official of, or person who has been selected to be a public official of, the Minerals Management Service of the Department of the Interior, knowingly engages in a course of conduct consisting of receiving things of value, knowing that such things of value were provided because of the official’s or person’s position in the Minerals Management Service, from a person seeking or holding one or more leases of property from the United States, through the Minerals Management Service, for purposes of oil or mineral extraction;

shall be fined under this title, imprisoned for not more than two years, or both, except that a corporation, partnership, or other organization that violates subparagraph (A) shall be fined \$25,000,000 and an amount equal to its gross revenues arising, during the period in which the course of conduct described in subparagraph (A) occurred, from the lease or leases described in that subparagraph.

“(2) For purposes of this subsection, the term ‘course of conduct’ means a series of acts over a period of time evidencing a continuity of purpose.

“(3)(A) The Attorney General may bring a civil action in the appropriate United States district court against any corporation, partnership, or other organization that engages in conduct constituting an offense under paragraph (1)(A) and, upon proof of such conduct by a preponderance of the evidence, such corporation, partnership, or other organization shall be subject to a civil penalty of not more than \$25,000,000 and an amount equal to its gross revenues arising, during the period in which the course of conduct described in paragraph (1)(A) occurred, from the lease or leases described in that paragraph.

“(B) If a corporation, partnership, or other organization is held liable for a civil penalty under subparagraph (A) for a violation of paragraph (1)(A), the United States may terminate the lease or leases that were the subject to the violation, and the United States shall not be liable for any damages to any party to such lease or leases by reason of such termination.

“(C) The imposition of a civil penalty under this paragraph does not preclude any other criminal or civil statutory, common law, or administrative remedy that is available to the United States, or any other person, under this section or any other law.”.

**SEC. 145. STRENGTHENING THE ABILITY OF THE INTERIOR DEPARTMENT INSPECTOR GENERAL TO SECURE COOPERATION.**

The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8K the following:

“SPECIAL PROVISIONS CONCERNING THE  
DEPARTMENT OF THE INTERIOR

“SEC. 8L. Notwithstanding section 6(a)(4), the Inspector General of the Department of the Interior may, in any inquiry or investigation involving leases of property from the United States through the Minerals Management Services for purposes of oil and mineral extraction, require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data in any medium, including electronically stored information and tangible things, and testimony necessary in the performance of the functions assigned by this Act, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court: *Provided*, that procedures other than subpoenas shall be used by the Inspector General to obtain documents, information, or testimony from Federal agencies.”.

**Subtitle E—Federal Oil and Gas Royalty Reform**

**SEC. 151. AMENDMENTS TO DEFINITIONS.**

Section 3 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1702) is amended—

(1) in paragraph (20)(A), by striking “: *Provided*, That” and all that follows through “subject of the judicial proceeding”;

(2) in paragraph (20)(B), by striking “(with written notice to the lessee who designated the designee)”;

(3) in paragraph (23)(A), by striking “(with written notice to the lessee who designated the designee)”;

(4) by amending paragraph (24) to read as follows:

“(24) ‘designee’ means any person who pays, offsets, or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments a lessee must make pursuant to section 102(a);”;

(5) in paragraph (25)(B), by striking “(subject to the provisions of section 102(a) of this Act);” and

(6) in paragraph (26), by striking “(with notice to the lessee who designated the designee)”.

**SEC. 152. INTEREST.**

(a) **ESTIMATED PAYMENTS; INTEREST ON AMOUNT OF UNDERPAYMENT.**—Section 111(j) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721(j)) is amended by striking “If the estimated payment exceeds the actual royalties due, interest is owed on the overpayment.”.

(b) **OVERPAYMENTS.**—Section 111 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721) is amended by striking subsections (h) and (i).

(c) **EFFECTIVE DATE.**—The amendments made by this section shall be effective one year after the date of enactment of this Act.

**SEC. 153. OBLIGATION PERIOD.**

Section 115(c) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(c)) is amended by adding at the end the following:

“(3) **ADJUSTMENTS.**—In the case of an adjustment under section 111A(a) (30 U.S.C. 1721a(a)) in which a recoupment by the lessee results in an underpayment of an obligation, for purposes of this Act the obligation becomes due on the date the lessee or its designee makes the adjustment.”.

**SEC. 154. TOLLING AGREEMENTS AND SUBPOENAS.**

(a) **TOLLING AGREEMENTS.**—Section 115(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(d)(1)) is amended by striking “(with notice to the lessee who designated the designee)”.

(b) **SUBPOENAS.**—Section 115(d)(2)(A) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1724(d)(2)(A)) is amended by striking “(with notice to the lessee who designated the designee, which notice shall not constitute a subpoena to the lessee)”.

**SEC. 155. LIABILITY FOR ROYALTY PAYMENTS.**

Section 102(a) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1712(a)) is amended to read as follows:

“(a) In order to increase receipts and achieve effective collections of royalty and other payments, a lessee who is required to make any royalty or other payment under a lease or under the mineral leasing laws, shall make such payments in the time and manner as may be specified by the Secretary or the applicable delegated State. Any person who pays, offsets or credits monies, makes adjustments, requests and receives refunds, or submits reports with respect to payments the lessee must make is the lessee’s designee under this Act. Notwithstanding any other provision of this Act to the contrary, a designee shall be liable for any payment obligation of any lessee on whose behalf the designee pays royalty under the lease. The person owning operating rights in a lease and a person owning legal record title in a lease shall be liable for that person’s pro rata share of payment obligations under the lease.”.

**Subtitle F—National Petroleum Reserve in Alaska**

**SEC. 161. SHORT TITLE.**

This subtitle may be cited as the “Drill Responsibly in Leased Lands Act of 2008”.

**SEC. 162. ACCELERATION OF LEASE SALES FOR NATIONAL PETROLEUM RESERVE IN ALASKA.**

Section 107(d) of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a(d)) is amended—

(1) by striking “(d)” and all that follows through “; first lease sale” and inserting the following:

“(d) **LEASE SALES.**—

“(1) **FIRST LEASE SALE.**—The first lease sale”; and

(2) by adding at the end the following:

“(2) **SUBSEQUENT LEASE SALES.**—The Secretary shall accelerate, to the maximum extent practicable, competitive and environmentally responsible leasing of oil and gas in the Reserve in accordance with this Act and all applicable environmental laws, including at least 1 lease sale during each of calendar years 2009 through 2013.”.

**SEC. 163. NATIONAL PETROLEUM RESERVE IN ALASKA: PIPELINE CONSTRUCTION.**

The Federal Energy Regulatory Commission shall facilitate, in an environmentally responsible manner and in coordination with the Secretary of the Interior, the Secretary of Transportation, the Secretary of Energy, and the State of Alaska, the construction of pipelines necessary to transport oil and natural gas from or through the National Petroleum Reserve in Alaska to existing transportation or processing infrastructure on the North Slope of Alaska.

**SEC. 164. ALASKA NATURAL GAS PIPELINE PROJECT FACILITATION.**

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

(1) Over 35 trillion cubic feet of natural gas reserves have been discovered on Federal and State lands currently open to oil and natural gas leasing on the North Slope of Alaska.

(2) These gas supplies could make a significant contribution to meeting the energy needs of the United States, but the lack of a natural gas transportation system has prevented these natural gas reserves from reaching markets in the lower 48 States.

(b) **FACILITATION BY PRESIDENT.**—The President shall, pursuant to the Alaska Nat-

ural Gas Pipeline Act (division C of Public Law 108-324; 15 U.S.C. 720 et seq.) and other applicable law, coordinate with producers of natural gas on the North Slope of Alaska, Federal agencies, the State of Alaska, Canadian authorities, pipeline companies, and other interested persons in order to facilitate construction of a natural gas pipeline from Alaska to United States markets as expeditiously as possible.

**SEC. 165. PROJECT LABOR AGREEMENTS AND OTHER PIPELINE REQUIREMENTS.**

(a) **PROJECT LABOR AGREEMENTS.**—The President, as a term and condition of any permit required under Federal law for the pipelines referred to in section 163 and 164, and in recognizing the Government’s interest in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of such pipelines to be developed under such permits and the special concerns of the holders of such permits, shall require that the operators of such pipelines and their agents and contractors negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction for such pipelines.

(b) **PIPELINE MAINTENANCE.**—The Secretary of Transportation shall require every pipeline operator authorized to transport oil and gas produced under Federal oil and gas leases in Alaska through the Trans-Alaska Pipeline, any pipeline constructed pursuant to section 163 or 164 of this Act, or any other federally approved pipeline transporting oil and gas from the North Slope of Alaska, to certify to the Secretary of Transportation annually that such pipeline is being fully maintained and operated in an efficient manner. The Secretary of Transportation shall assess appropriate civil penalties for violations of this requirement in the same manner as civil penalties are assessed for violations under section 60122(a)(1) of title 49, United States Code.

**SEC. 166. BAN ON EXPORT OF ALASKAN OIL.**

(a) **REPEAL OF PROVISION AUTHORIZING EXPORTS.**—Section 28(s) of the Mineral Leasing Act (30 U.S.C. 185(s)) is repealed.

(b) **REIMPOSITION OF PROHIBITION ON CRUDE OIL EXPORTS.**—Upon the effective date of this Act, subsection (d) of section 7 of the Export Administration Act of 1979 (50 U.S.C. App. 2406(d)), shall be effective, and any other provision of that Act (including sections 11 and 12) shall be effective to the extent necessary to carry out such section 7(d), notwithstanding section 20 of that Act or any other provision of law that would otherwise allow exports of oil to which such section 7(d) applies.

**Subtitle G—Oil Shale**

**SEC. 171. OIL SHALE LEASING.**

(a) **REPEAL OF RESTRICTION.**—Section 433 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (division F of Public Law 110-161; 121 Stat. 2152) is repealed.

(b) **REQUIREMENT THAT STATE APPROVE OF OIL SHALE LEASING.**—Section 369 of the Energy Policy Act of 2005 (42 U.S.C. 15927) is amended by adding at the end the following:

“(t) **REQUIREMENT THAT STATE APPROVE OF OIL SHALE LEASING.**—No lease may be issued under this section, section 21 of the Mineral Leasing Act (30 U.S.C. 241), or any other law, for exploration, research, development, or production of oil shale on lands located in a State, unless the State has enacted a law approving of Federal oil shale leasing in the State. Nothing in this subsection shall be construed as preventing the Department of the Interior from preparing an environmental impact statement under the existing authority under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with



respect to an individual lease sale proposed under the commercial leasing program established under this section.”.

## TITLE II—CONSUMER ENERGY SUPPLY

### SEC. 201. SHORT TITLE.

This title may be cited as the “Consumer Energy Supply Act of 2008”.

### SEC. 202. DEFINITIONS.

In this title—

(1) the term “light grade petroleum” means crude oil with an API gravity of 30 degrees or higher;

(2) the term “heavy grade petroleum” means crude oil with an API gravity of 26 degrees or lower; and

(3) the term “Secretary” means the Secretary of Energy.

### SEC. 203. SALE AND REPLACEMENT OF OIL FROM THE STRATEGIC PETROLEUM RESERVE.

(a) INITIAL PETROLEUM SALE AND REPLACEMENT.—Notwithstanding section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241), the Secretary shall publish a plan not later than 15 days after the date of enactment of this Act to—

(1) sell, in the amounts and on the schedule described in subsection (b), light grade petroleum from the Strategic Petroleum Reserve and acquire an equivalent volume of heavy grade petroleum;

(2) deposit the cash proceeds from sales under paragraph (1) into the SPR Petroleum Account established under section 167 of the Energy Policy and Conservation Act (42 U.S.C. 6247); and

(3) from the cash proceeds deposited pursuant to paragraph (2), withdraw the amount necessary to pay for the direct administrative and operational costs of the sale and acquisition.

(b) AMOUNTS AND SCHEDULE.—The sale and acquisition described in subsection (a) shall require the offer for sale of a total quantity of 70,000,000 barrels of light grade petroleum from the Strategic Petroleum Reserve. The sale shall commence, whether or not a plan has been published under subsection (a), not later than 30 days after the date of enactment of this Act and be completed no more than six months after the date of enactment of this Act, with at least 20,000,000 barrels to be offered for sale within the first 60 days after the date of enactment of this Act. In no event shall the Secretary sell barrels of oil under subsection (a) that would result in a Strategic Petroleum Reserve that contains fewer than 90 percent of the total amount of barrels in the Strategic Petroleum Reserve as of the date of enactment of this Act. Heavy grade petroleum, to replace the quantities of light grade petroleum sold under this section, shall be obtained through acquisitions which—

(1) shall commence no sooner than 6 months after the date of enactment of this Act;

(2) shall be completed, at the discretion of the Secretary, not later than 5 years after the date of enactment of this Act;

(3) shall be carried out in a manner so as to maximize the monetary value to the Federal Government; and

(4) shall be carried out using the receipts from the sales of light grade petroleum authorized under this section.

(c) DEFERRALS.—The Secretary is encouraged to, when economically beneficial and practical, grant requests to defer scheduled deliveries of petroleum to the Reserve under subsection (a) if the deferral will result in a premium paid in additional barrels of oil which will reduce the cost of oil acquisition and increase the volume of oil delivered to the Reserve or yield additional cash bonuses.

## TITLE III—PUBLIC TRANSPORTATION

### SEC. 301. SHORT TITLE.

This title may be cited as the “Saving Energy Through Public Transportation Act of 2008”.

### SEC. 302. FINDINGS.

Congress finds the following:

(1) In 2007, people in the United States took more than 10.3 billion trips using public transportation, the highest level in 50 years.

(2) Public transportation use in the United States is up 32 percent since 1995, a figure that is more than double the growth rate of the Nation’s population and is substantially greater than the growth rate for vehicle miles traveled on the Nation’s highways for that same period.

(3) Public transportation use saves fuel, reduces emissions, and saves money for the people of the United States.

(4) The direct petroleum savings attributable to public transportation use is 1.4 billion gallons per year, and when the secondary effects of transit availability on travel are also taken into account, public transportation use saves the United States the equivalent of 4.2 billion gallons of gasoline per year (more than 11 million gallons of gasoline per day).

(5) Public transportation use in the United States is estimated to reduce carbon dioxide emissions by 37 million metric tons annually.

(6) An individual who commutes to work using a single occupancy vehicle can reduce carbon dioxide emissions by 20 pounds per day (more than 4,800 pounds per year) by switching to public transportation.

(7) Public transportation use provides an affordable alternative to driving, as households that use public transportation save an average of \$6,251 every year.

(8) Although under existing laws Federal employees in the National Capital Region receive transit benefits, transit benefits should be available to all Federal employees in the United States so that the Federal Government sets a leading example of greater public transportation use.

(9) Public transportation stakeholders should engage and involve local communities in the education and promotion of the importance of utilizing public transportation.

(10) Increasing public transportation use is a national priority.

### SEC. 303. GRANTS TO IMPROVE PUBLIC TRANSPORTATION SERVICES.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—

(1) URBANIZED AREA FORMULA GRANTS.—In addition to amounts allocated under section 5338(b)(2)(B) of title 49, United States Code, to carry out section 5307 of such title, there is authorized to be appropriated \$750,000,000 for each of fiscal years 2008 and 2009 to carry out such section 5307. Such funds shall be apportioned, not later than 7 days after the date on which the funds are appropriated, in accordance with section 5336 (other than subsections (i)(1) and (j)) of such title but may not be combined or commingled with any other funds apportioned under such section 5336.

(2) FORMULA GRANTS FOR OTHER THAN URBANIZED AREAS.—In addition to amounts allocated under section 5338(b)(2)(G) of title 49, United States Code, to carry out section 5311 of such title, there is authorized to be appropriated \$100,000,000 for each of fiscal years 2008 and 2009 to carry out such section 5311. Such funds shall be apportioned, not later than 7 days after the date on which the funds are appropriated, in accordance with such section 5311 but may not be combined or commingled with any other funds apportioned under such section 5311.

(b) USE OF FUNDS.—Notwithstanding sections 5307 and 5311 of title 49, United States

Code, the Secretary of Transportation may make grants under such sections from amounts appropriated under subsection (a) only for one or more of the following:

(1) If the recipient of the grant is reducing, or certifies to the Secretary within the time the Secretary prescribes that, during the term of the grant, the recipient will reduce one or more fares the recipient charges for public transportation, or in the case of subsection (f) of such section 5311, intercity bus service, those operating costs of equipment and facilities being used to provide the public transportation, or in the case of subsection (f) of such section 5311, intercity bus service, that the recipient is no longer able to pay from the revenues derived from such fare or fares as a result of such reduction.

(2) If the recipient of the grant is expanding, or certifies to the Secretary within the time the Secretary prescribes that, during the term of the grant, the recipient will expand public transportation service, or in the case of subsection (f) of such section 5311, intercity bus service, those operating and capital costs of equipment and facilities being used to provide the public transportation service, or in the case of subsection (f) of such section 5311, intercity bus service, that the recipient incurs as a result of the expansion of such service.

(3) To avoid increases in fares for public transportation, or in the case of subsection (f) of such section 5311, intercity bus service, or decreases in current public transportation service, or in the case of subsection (f) of such section 5311, intercity bus service, that would otherwise result from an increase in costs to the public transportation or intercity bus agency for transportation-related fuel or meeting additional transportation-related equipment or facility maintenance needs, if the recipient of the grant certifies to the Secretary within the time the Secretary prescribes that, during the term of the grant, the recipient will not increase the fares that the recipient charges for public transportation, or in the case of subsection (f) of such section 5311, intercity bus service, or, will not decrease the public transportation service, or in the case of subsection (f) of such section 5311, intercity bus service, that the recipient provides.

(4) If the recipient of the grant is acquiring, or certifies to the Secretary within the time the Secretary prescribes that, during the term of the grant, the recipient will acquire, clean fuel or alternative fuel vehicle-related equipment or facilities for the purpose of improving fuel efficiency, the costs of acquiring the equipment or facilities.

(5) If the recipient of the grant is establishing or expanding, or certifies to the Secretary within the time the Secretary prescribes that, during the term of the grant, the recipient will establish or expand, commuter matching services to provide commuters with information and assistance about alternatives to single occupancy vehicle use, those administrative costs in establishing or expanding such services.

(c) FEDERAL SHARE.—Notwithstanding any other provision of law, the Federal share of the costs for which a grant is made under this section shall be 100 percent.

(d) PERIOD OF AVAILABILITY.—Funds appropriated under this section shall remain available for a period of 2 fiscal years.

### SEC. 304. INCREASED FEDERAL SHARE FOR CLEAN AIR ACT COMPLIANCE.

Notwithstanding section 5323(i)(1) of title 49, United States Code, a grant for a project to be assisted under chapter 53 of such title during fiscal years 2008 and 2009 that involves acquiring clean fuel or alternative fuel vehicle-related equipment or facilities for the purposes of complying with or maintaining compliance with the Clean Air Act

(42 U.S.C. 7401 et seq.) shall be for 100 percent of the net project cost of the equipment or facility attributable to compliance with that Act unless the grant recipient requests a lower grant percentage.

**SEC. 305. TRANSPORTATION FRINGE BENEFITS.**

(a) REQUIREMENT THAT AGENCIES OFFER TRANSIT PASS TRANSPORTATION FRINGE BENEFITS TO THEIR EMPLOYEES NATIONWIDE.—

(1) IN GENERAL.—Section 3049(a)(1) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (5 U.S.C. 7905 note; 119 Stat. 1711) is amended—

(A) by striking “Effective” and all that follows through “each covered agency” and inserting “Each agency”; and

(B) by inserting “at a location in an urbanized area of the United States that is served by fixed route public transportation” before “shall be offered”.

(2) CONFORMING AMENDMENTS.—Section 3049(a) of such Act (5 U.S.C. 7905 note; 119 Stat. 1711) is amended—

(A) in paragraph (3)—

(i) by striking subparagraph (A); and

(ii) by redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively; and

(B) in paragraph (4) by striking “a covered agency” and inserting “an agency”.

(b) BENEFITS DESCRIBED.—Section 3049(a)(2) of such Act (5 U.S.C. 7905 note; 119 Stat. 1711) is amended by striking the period at the end and inserting the following: “, except that the maximum level of such benefits shall be the maximum amount which may be excluded from gross income for qualified parking as in effect for a month under section 132(f)(2)(B) of the Internal Revenue Code of 1986.”

(c) GUIDANCE.—Section 3049(a) of such Act (5 U.S.C. 7905 note; 119 Stat. 1711) is amended by adding at the end the following:

“(5) GUIDANCE.—

“(A) ISSUANCE.—Not later than 60 days after the date of enactment of this paragraph, the Secretary of Transportation shall issue guidance on nationwide implementation of the transit pass transportation fringe benefits program under this subsection.

“(B) UNIFORM APPLICATION.—

“(i) IN GENERAL.—The guidance to be issued under subparagraph (A) shall contain a uniform application for use by all Federal employees applying for benefits from an agency under the program.

“(ii) REQUIRED INFORMATION.—As part of such an application, an employee shall provide, at a minimum, the employee’s home and work addresses, a breakdown of the employee’s commuting costs, and a certification of the employee’s eligibility for benefits under the program.

“(iii) WARNING AGAINST FALSE STATEMENTS.—Such an application shall contain a warning against making false statements in the application.

“(C) INDEPENDENT VERIFICATION REQUIREMENTS.—The guidance to be issued under subparagraph (A) shall contain independent verification requirements to ensure that, with respect to an employee of an agency—

“(i) the eligibility of the employee for benefits under the program is verified by an official of the agency;

“(ii) employee commuting costs are verified by an official of the agency; and

“(iii) records of the agency are checked to ensure that the employee is not receiving parking benefits from the agency.

“(D) PROGRAM IMPLEMENTATION REQUIREMENTS.—The guidance to be issued under subparagraph (A) shall contain program implementation requirements applicable to each agency to ensure that—

“(i) benefits provided by the agency under the program are adjusted in cases of employee travel, leave, or change of address;

“(ii) removal from the program is included in the procedures of the agency relating to an employee separating from employment with the agency; and

“(iii) benefits provided by the agency under the program are made available using an electronic format (rather than using paper fare media) where such a format is available for use.

“(E) ENFORCEMENT AND PENALTIES.—The guidance to be issued under subparagraph (A) shall contain a uniform administrative policy on enforcement and penalties. Such policy shall be implemented by each agency to ensure compliance with program requirements, to prevent fraud and abuse, and, as appropriate, to penalize employees who have abused or misused the benefits provided under the program.

“(F) PERIODIC REVIEWS.—The guidance to be issued under subparagraph (A) shall require each agency, not later than September 1 of the first fiscal year beginning after the date of enactment of this paragraph, and every 3 years thereafter, to develop and submit to the Secretary a review of the agency’s implementation of the program. Each such review shall contain, at a minimum, the following:

“(i) An assessment of the agency’s implementation of the guidance, including a summary of the audits and investigations, if any, of the program conducted by the Inspector General of the agency.

“(ii) Information on the total number of employees of the agency that are participating in the program.

“(iii) Information on the total number of single occupancy vehicles removed from the roadway network as a result of participation by employees of the agency in the program.

“(iv) Information on energy savings and emissions reductions, including reductions in greenhouse gas emissions, resulting from reductions in single occupancy vehicle use by employees of the agency that are participating in the program.

“(v) Information on reduced congestion and improved air quality resulting from reductions in single occupancy vehicle use by employees of the agency that are participating in the program.

“(vi) Recommendations to increase program participation and thereby reduce single occupancy vehicle use by Federal employees nationwide.

“(6) REPORTING REQUIREMENTS.—Not later than September 30 of the first fiscal year beginning after the date of enactment of this paragraph, and every 3 years thereafter, the Secretary shall submit to the Committee on Transportation and Infrastructure and the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on nationwide implementation of the transit pass transportation fringe benefits program under this subsection, including a summary of the information submitted by agencies pursuant to paragraph (5)(F).”

(d) EFFECTIVE DATE.—Except as otherwise specifically provided, the amendments made by this section shall become effective on the first day of the first fiscal year beginning after the date of enactment of this Act.

**SEC. 306. CAPITAL COST OF CONTRACTING VANPOOL PILOT PROGRAM.**

(a) ESTABLISHMENT.—The Secretary of Transportation shall establish and implement a pilot program to carry out vanpool demonstration projects in not more than 3 urbanized areas and not more than 2 other than urbanized areas.

(b) PILOT PROGRAM.—

(1) IN GENERAL.—Notwithstanding section 5323(i) of title 49, United States Code, for each project selected for participation in the

pilot program, the Secretary shall allow the non-Federal share provided by a recipient of assistance for a capital project under chapter 53 of such title to include the amounts described in paragraph (2).

(2) CONDITIONS ON ACQUISITION OF VANS.—The amounts referred to in paragraph (1) are any amounts expended by a private provider of public transportation by vanpool for the acquisition of vans to be used by such private provider in the recipient’s service area, excluding any amounts the provider may have received in Federal, State, or local government assistance for such acquisition, if the private provider enters into a legally binding agreement with the recipient that requires the private provider to use all revenues it receives in providing public transportation in such service area, in excess of its operating costs, for the purpose of acquiring vans to be used by the private provider in such service area.

(c) PROGRAM TERM.—The Secretary may approve an application for a vanpool demonstration project for fiscal years 2008 through 2009.

(d) REPORT TO CONGRESS.—Not later than one year after the date of enactment of this Act, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report containing an assessment of the costs, benefits, and efficiencies of the vanpool demonstration projects.

**SEC. 307. NATIONAL CONSUMER AWARENESS PROGRAM.**

(a) IN GENERAL.—The Secretary of Transportation shall carry out a national consumer awareness program to educate the public on the environmental, energy, and economic benefits of public transportation alternatives to the use of single occupancy vehicles.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$1,000,000 for fiscal year 2009. Such sums shall remain available until expended.

**SEC. 308. EXCEPTION TO ALTERNATIVE FUEL PROCUREMENT REQUIREMENT.**

Section 526 of the Energy Independence and Security Act of 2007 (Public Law 110-140; 42 U.S.C. 17142) is amended—

(1) by striking “No Federal agency” and inserting “(a) REQUIREMENT.—Except as provided in subsection (b), no Federal agency”; and

(2) by adding at the end the following:

“(b) EXCEPTION.—Subsection (a) does not prohibit a Federal agency from entering into a contract to purchase a generally available fuel that is not an alternative or synthetic fuel or predominantly produced from a non-conventional petroleum source, if—

“(1) the contract does not specifically require the contractor to provide an alternative or synthetic fuel or fuel from a non-conventional petroleum source;

“(2) the purpose of the contract is not to obtain an alternative or synthetic fuel or fuel from a nonconventional petroleum source; and

“(3) the contract does not provide incentives for a refinery upgrade or expansion to allow a refinery to use or increase its use of fuel from a nonconventional petroleum source.”

**TITLE IV—GREATER ENERGY EFFICIENCY IN BUILDING CODES**

**SEC. 401. GREATER ENERGY EFFICIENCY IN BUILDING CODES.**

(a) IN GENERAL.—Section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) is amended to read as follows:



**“SEC. 304. UPDATING STATE BUILDING ENERGY EFFICIENCY CODES.**

“(a) UPDATING NATIONAL MODEL BUILDING ENERGY CODES.—(1) The Secretary shall support updating the national model building energy codes and standards at least every three years to achieve overall energy savings, compared to the 2006 IECC for residential buildings and ASHRAE Standard 90.1-2004 for commercial buildings, of at least—

“(A) 30 percent in editions of each model code or standard released in or after 2010; and

“(B) 50 percent in editions of each model code or standard released in or after 2020.

Targets for specific years shall be set by the Secretary at least 3 years in advance of each target year, coordinated with the IECC and ASHRAE Standard 90.1 cycles, at the maximum level of energy efficiency that is technologically feasible and life-cycle cost effective.

“(2)(A) Whenever the provisions of the IECC or ASHRAE Standard 90.1 regarding building energy use are revised, the Secretary shall make a preliminary determination not later than 90 days after the date of the revision, and a final determination not later than 12 months after the date of such revision, on—

“(i) whether such revision will improve energy efficiency in buildings; and

“(ii) whether such revision will meet the targets under paragraph (1).

“(B) If the Secretary makes a determination under subparagraph (A)(ii) that a code or standard does not meet the targets under paragraph (1), or if a national model code or standard is not updated for more than three years, then the Secretary shall, within 12 months after such determination, establish a modified code or standard that meets such targets. Any such modified code or standard—

“(i) shall achieve the maximum level of energy savings that is technologically feasible and life-cycle cost-effective;

“(ii) shall be based on the latest revision of the IECC or ASHRAE Standard 90.1, including any amendments or additions thereto, but may also consider other model codes or standards; and

“(iii) shall serve as the baseline for the next determination under subparagraph (A)(i).

“(C) The Secretary shall provide the opportunity for public comment on targets, determinations, and modified codes and standards under this subsection, and shall publish notice of targets, determinations, and modified codes and standards under this subsection in the Federal Register.

“(b) STATE CERTIFICATION OF BUILDING ENERGY CODE UPDATES.—(1) Not later than 2 years after the date of enactment of this subsection, each State shall certify to the Secretary that it has reviewed and updated the provisions of its residential and commercial building codes regarding energy efficiency. Such certification shall include a demonstration that such State's code provisions meet or exceed the 2006 IECC for residential buildings and the ASHRAE Standard 90.1-2007 for commercial buildings, or achieve equivalent or greater energy savings.

“(2)(A) If the Secretary makes an affirmative determination under subsection (a)(2)(A)(i) or establishes a modified code or standard under subsection (a)(2)(B), each State shall, within 2 years after such determination or establishment, certify that it has reviewed and updated the provisions of its building code regarding energy efficiency. Such certification shall include a demonstration that such State's code provisions meet or exceed the revised code or standard, or achieve equivalent or greater energy savings.

“(B) If the Secretary fails to make a determination under subsection (a)(2)(A)(i) by the

date specified in subsection (a)(2), or makes a negative determination, each State shall within 2 years after the specified date or the date of the determination, certify that it has reviewed the revised code or standard, and updated the provisions of its building code regarding energy efficiency to meet or exceed any provisions found to improve energy efficiency in buildings, or to achieve equivalent or greater energy savings in other ways.

“(c) STATE CERTIFICATION OF COMPLIANCE WITH BUILDING CODES.—(1) Each State shall, not later than 3 years after a certification under subsection (b), certify that it has—

“(A) achieved compliance under paragraph (3) with the certified State building energy code or with the associated model code or standard; or

“(B) made significant progress under paragraph (4) toward achieving compliance with the certified State building energy code or with the associated model code or standard. If the State certifies progress toward achieving compliance, the State shall repeat the certification each year until it certifies that it has achieved compliance.

“(2) A certification under paragraph (1) shall include documentation of the rate of compliance based on independent inspections of a random sample of the new and renovated buildings covered by the code in the preceding year, or based on an alternative method that yields an accurate measure of compliance.

“(3)(A) A State shall be considered to achieve compliance under paragraph (1) if—

“(i) at least 90 percent of new and renovated building space covered by the code in the preceding year substantially meets all the requirements of the code regarding energy efficiency, or achieves an equivalent energy savings level; or

“(ii) the estimated excess energy use of new and renovated buildings that did not meet the code in the preceding year, compared to a baseline of comparable buildings that meet the code, is not more than 5 percent of the estimated energy use of all new and renovated buildings covered by the code in the preceding year.

“(B) Only renovations with building permits are covered under this paragraph. If the Secretary determines the percentage targets under subparagraph (A) are not reasonably achievable for renovated residential or commercial buildings, the Secretary may reduce the targets for such renovated buildings to the highest achievable level.

“(4)(A) A State shall be considered to have made significant progress toward achieving compliance for purposes of paragraph (1) if the State—

“(i) has developed and is implementing a plan for achieving compliance within 8 years, assuming continued adequate funding, including active training and enforcement programs;

“(ii) after one or more years of adequate funding, has demonstrated progress, in conformance with the plan described in clause (i), toward compliance;

“(iii) after five or more years of adequate funding, meets the requirement in paragraph (3) substituting 80 percent for 90 percent or substituting 10 percent for 5 percent; and

“(iv) has not had more than 8 years of adequate funding.

“(B) Funding shall be considered adequate, for purposes of this paragraph, when the Federal Government provides to the States at least \$50,000,000 in a year in funding and support for development and implementation of State building energy codes, including for training and enforcement.

“(d) FAILURE TO MEET DEADLINES.—(1) A State that has not made a certification required under subsection (b) or (c) by the applicable deadline shall submit to the Secretary a report on—

“(A) the status of the State with respect to meeting the requirements and submitting the certification; and

“(B) a plan for meeting the requirements and submitting the certification.

“(2) Any State for which the Secretary has not accepted a certification by a deadline under subsection (b) or (c) of this section is out of compliance with this section.

“(3) In any State that is out of compliance with this section, a local government may be in compliance with this section by meeting the certification requirements under subsections (b) and (c) of this section.

“(4) The Secretary shall annually submit to Congress, and publish in the Federal Register, a report on the status of national model building energy codes and standards, the status of code adoption and compliance in the States, and implementation of this section. The report shall include estimates of impacts of past action under this section and potential impacts of further action on lifetime energy use by buildings and resulting energy costs to individuals and businesses.

“(e) TECHNICAL ASSISTANCE.—(1) The Secretary shall on a timely basis provide technical assistance to model code-setting and standard development organizations. This assistance shall include technical assistance as requested by the organizations in evaluating code or standards proposals or revisions, building energy analysis and design tools, building demonstrations, and design assistance and training. The Secretary shall submit code and standard amendment proposals, with supporting evidence, sufficient to enable the national model building energy codes and standards to meet the targets in subsection (a)(1).

“(2) The Secretary shall provide technical assistance to States to implement the requirements of this section, including procedures for States to demonstrate that their code provisions achieve equivalent or greater energy savings than the national model codes and standards, and to improve and implement State residential and commercial building energy efficiency codes or to otherwise promote the design and construction of energy efficient buildings.

“(f) AVAILABILITY OF INCENTIVE FUNDING.—(1) The Secretary shall provide incentive funding to States to implement the requirements of this section, and to improve and implement State residential and commercial building energy efficiency codes, including increasing and verifying compliance with such codes. In determining whether, and in what amount, to provide incentive funding under this subsection, the Secretary shall consider the actions proposed by the State to implement the requirements of this section, to improve and implement residential and commercial building energy efficiency codes, and to promote building energy efficiency through the use of such codes.

“(2) Additional funding shall be provided under this subsection for implementation of a plan to achieve and document at least a 90 percent rate of compliance with residential and commercial building energy efficiency codes, based on energy performance—

“(A) to a State that has adopted and is implementing, on a Statewide basis—

“(i) a residential building energy efficiency code that meets or exceeds the requirements of the 2006 IECC, or any succeeding version of that code that has received an affirmative determination from the Secretary under subsection (a)(2)(A)(i); and

“(ii) a commercial building energy efficiency code that meets or exceeds the requirements of the ASHRAE Standard 90.1-2007, or any succeeding version of that standard that has received an affirmative determination from the Secretary under subsection (a)(2)(A)(i); or

“(B) in a State in which there is no State-wide energy code for either residential buildings or commercial buildings, or where State codes fail to comply with subparagraph (A), to a local government that has adopted and is implementing residential and commercial building energy efficiency codes, as described in subparagraph (A).

“(3) Of the amounts made available under this subsection, the Secretary may use amounts required, not exceeding \$500,000 for each State, to train State and local officials to implement codes described in paragraph (2).

“(4) There are authorized to be appropriated to carry out this subsection—

“(A) \$70,000,000 for each of fiscal years 2009 through 2013; and

“(B) such sums as are necessary for fiscal year 2014 and each fiscal year thereafter.”

(b) DEFINITION.—Section 303 of the Energy Conservation and Production Act (42 U.S.C. 6832) is amended by adding at the end the following new paragraph:

“(17) The term ‘IECC’ means the International Energy Conservation Code.”

**TITLE V—FEDERAL RENEWABLE ELECTRICITY STANDARD**

**SEC. 501. FEDERAL RENEWABLE ELECTRICITY STANDARD.**

(a) IN GENERAL.—Title VI of the Public Utility Regulatory Policies Act of 1978 is amended by adding at the end the following:

**“SEC. 610. FEDERAL RENEWABLE ELECTRICITY STANDARD.**

“(a) DEFINITIONS.—For purposes of this section:

“(1) BIOMASS.—

“(A) IN GENERAL.—The term ‘biomass’ means each of the following:

“(i) Cellulosic (plant fiber) organic materials from a plant that is planted for the purpose of being used to produce energy.

“(ii) Nonhazardous, plant or algal matter that is derived from any of the following:

“(I) An agricultural crop, crop byproduct or residue resource.

“(II) Waste such as landscape or right-of-way trimmings (but not including municipal solid waste, recyclable postconsumer waste paper, painted, treated, or pressurized wood, wood contaminated with plastic or metals).

“(iii) Animal waste or animal byproducts.

“(iv) Landfill methane.

“(B) NATIONAL FOREST LANDS AND CERTAIN OTHER PUBLIC LANDS.—With respect to organic material removed from National Forest System lands or from public lands administered by the Secretary of the Interior, the term ‘biomass’ covers only organic material from (i) ecological forest restoration; (ii) pre-commercial thinnings; (iii) brush; (iv) mill residues; and (v) slash.

“(C) EXCLUSION OF CERTAIN FEDERAL LANDS.—Notwithstanding subparagraph (B), material or matter that would otherwise qualify as biomass are not included in the term biomass if they are located on the following Federal lands:

“(i) Federal land containing old growth forest or late successional forest unless the Secretary of the Interior or the Secretary of Agriculture determines that the removal of organic material from such land is appropriate for the applicable forest type and maximizes the retention of late-successional and large and old growth trees, late-successional and old growth forest structure, and late-successional and old growth forest composition.

“(ii) Federal land on which the removal of vegetation is prohibited, including components of the National Wilderness Preservation System.

“(iii) Wilderness Study Areas.

“(iv) Inventoried roadless areas.

“(v) Components of the National Landscape Conservation System.

“(vi) National Monuments.

“(2) ELIGIBLE FACILITY.—The term ‘eligible facility’ means—

“(A) a facility for the generation of electric energy from a renewable energy resource that is placed in service on or after January 1, 2001; or

“(B) a repowering or cofiring increment.

“(3) EXISTING FACILITY.—The term ‘existing facility’ means a facility for the generation of electric energy from a renewable energy resource that is not an eligible facility.

“(4) INCREMENTAL HYDROPOWER.—The term ‘incremental hydropower’ means additional generation that is achieved from increased efficiency or additions of capacity made on or after January 1, 2001, or the effective date of an existing applicable State renewable portfolio standard program at a hydroelectric facility that was placed in service before that date.

“(5) INDIAN LAND.—The term ‘Indian land’ means—

“(A) any land within the limits of any Indian reservation, pueblo, or rancharia;

“(B) any land not within the limits of any Indian reservation, pueblo, or rancharia title to which was on the date of enactment of this paragraph either held by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation;

“(C) any dependent Indian community; or

“(D) any land conveyed to any Alaska Native corporation under the Alaska Native Claims Settlement Act.

“(6) INDIAN TRIBE.—The term ‘Indian tribe’ means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

“(7) RENEWABLE ENERGY.—The term ‘renewable energy’ means electric energy generated by a renewable energy resource.

“(8) RENEWABLE ENERGY RESOURCE.—The term ‘renewable energy resource’ means solar, wind, ocean, tidal, geothermal energy, biomass, landfill gas, incremental hydropower, or hydrokinetic energy.

“(9) REPOWERING OR COFIRING INCREMENT.—The term ‘repowering or cofiring increment’ means—

“(A) the additional generation from a modification that is placed in service on or after January 1, 2001, to expand electricity production at a facility used to generate electric energy from a renewable energy resource;

“(B) the additional generation above the average generation in the 3 years preceding the date of enactment of this section at a facility used to generate electric energy from a renewable energy resource or to cofire biomass that was placed in service before the date of enactment of this section; or

“(C) the portion of the electric generation from a facility placed in service on or after January 1, 2001, or a modification to a facility placed in service before the date of enactment of this section made on or after January 1, 2001, associated with cofiring biomass.

“(10) RETAIL ELECTRIC SUPPLIER.—(A) The term ‘retail electric supplier’ means a person that sells electric energy to electric consumers (other than consumers in Hawaii) that sold not less than 1,000,000 megawatt-hours of electric energy to electric consumers for purposes other than resale during the preceding calendar year. For purposes of this section, a person that sells electric energy to electric consumers that, in combina-

tion with the sales of any affiliate organized after the date of enactment of this section, sells not less than 1,000,000 megawatt hours of electric energy to consumers for purposes other than resale shall qualify as a retail electric supplier. For purposes of this paragraph, sales by any person to a parent company or to other affiliates of such person shall not be treated as sales to electric consumers.

“(B) Such term does not include the United States, a State or any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing, or a rural electric cooperative, except that a political subdivision of a State, or an agency, authority, or instrumentality of the United States, a State or a political subdivision of a State, or a rural electric cooperative that sells electric energy to electric consumers or any other entity that sells electric energy to electric consumers that would not otherwise qualify as a retail electric supplier shall be deemed a retail electric supplier if such entity notifies the Secretary that it voluntarily agrees to participate in the Federal renewable electricity standard program.

“(11) RETAIL ELECTRIC SUPPLIER’S BASE AMOUNT.—The term ‘retail electric supplier’s base amount’ means the total amount of electric energy sold by the retail electric supplier, expressed in terms of kilowatt hours, to electric customers for purposes other than resale during the most recent calendar year for which information is available, excluding—

“(A) electric energy that is not incremental hydropower generated by a hydroelectric facility; and

“(B) electricity generated through the incineration of municipal solid waste.

“(b) COMPLIANCE.—For each calendar year beginning in calendar year 2010, each retail electric supplier shall meet the requirements of subsection (c) by submitting to the Secretary, not later than April 1 of the following calendar year, one or more of the following:

“(1) Federal renewable energy credits issued under subsection (e).

“(2) Federal energy efficiency credits issued under subsection (i), except that Federal energy efficiency credits may not be used to meet more than 27 percent of the requirements of subsection (c) in any calendar year. Energy efficiency credits may only be used for compliance in a State where the Governor has petitioned the Secretary pursuant to subsection (i)(2).

“(3) Certification of the renewable energy generated and electricity savings pursuant to the funds associated with State compliance payments as specified in subsection (e)(3)(G).

“(4) Alternative compliance payments pursuant to subsection (j).

“(c) REQUIRED ANNUAL PERCENTAGE.—For calendar years 2010 through 2039, the required annual percentage of the retail electric supplier’s base amount that shall be generated from renewable energy resources, or otherwise credited towards such percentage requirement pursuant to subsection (d), shall be the percentage specified in the following table:

Calendar Years	Required annual percentage
2010	2.75
2011	2.75
2012	3.75
2013	4.5
2014	5.5
2015	6.5
2016	7.5
2017	8.25
2018	10.25

“Calendar Years	Required annual percentage
2019 .....	12.25
2020 and thereafter through 2039 .....	15

“(d) RENEWABLE ENERGY AND ENERGY EFFICIENCY CREDITS.—(1) A retail electric supplier may satisfy the requirements of subsection (b)(1) through the submission of Federal renewable energy credits—

“(A) issued to the retail electric supplier under subsection (e);

“(B) obtained by purchase or exchange under subsection (f) or (g); or

“(C) borrowed under subsection (h).

“(2) A retail electric supplier may satisfy the requirements of subsection (b)(2) through the submission of Federal energy efficiency credits issued to the retail electric supplier obtained by purchase or exchange pursuant to subsection (i).

“(3) A Federal renewable energy credit may be counted toward compliance with subsection (b)(1) only once. A Federal energy efficiency credit may be counted toward compliance with subsection (b)(2) only once.

“(e) ISSUANCE OF FEDERAL RENEWABLE ENERGY CREDITS.—(1) The Secretary shall establish by rule, not later than 1 year after the date of enactment of this section, a program to verify and issue Federal renewable energy credits to generators of renewable energy, track their sale, exchange, and retirement and to enforce the requirements of this section. To the extent possible, in establishing such program, the Secretary shall rely upon existing and emerging State or regional tracking systems that issue and track non-Federal renewable energy credits.

“(2) An entity that generates electric energy through the use of a renewable energy resource may apply to the Secretary for the issuance of renewable energy credits. The applicant must demonstrate that the electric energy will be transmitted onto the grid or, in the case of a generation offset, that the electric energy offset would have otherwise been consumed on site. The application shall indicate—

“(A) the type of renewable energy resource used to produce the electricity;

“(B) the location where the electric energy was produced; and

“(C) any other information the Secretary determines appropriate.

“(3)(A) Except as provided in subparagraphs (B), (C), and (D), the Secretary shall issue to a generator of electric energy one Federal renewable energy credit for each kilowatt hour of electric energy generated by the use of a renewable energy resource at an eligible facility.

“(B) For purpose of compliance with this section, Federal renewable energy credits for incremental hydropower shall be based, on the increase in average annual generation resulting from the efficiency improvements or capacity additions. The incremental generation shall be calculated using the same water flow information used to determine a historic average annual generation baseline for the hydroelectric facility and certified by the Secretary or the Federal Energy Regulatory Commission. The calculation of the Federal renewable energy credits for incremental hydropower shall not be based on any operational changes at the hydroelectric facility not directly associated with the efficiency improvements or capacity additions.

“(C) The Secretary shall issue 2 renewable energy credits for each kilowatt hour of electric energy generated and supplied to the grid in that calendar year through the use of a renewable energy resource at an eligible facility located on Indian land. For purposes of this paragraph, renewable energy generated by biomass cofired with other fuels is eligible for two credits only if the biomass was grown on such land.

“(D) For electric energy generated by a renewable energy resource at an on-site eligible facility no larger than one megawatt in capacity and used to offset part or all of the customer’s requirements for electric energy, the Secretary shall issue 3 renewable energy credits to such customer for each kilowatt hour generated.

“(E) In the case of an on-site eligible facility on Indian land no more than 3 credits per kilowatt hour may be issued.

“(F) If both a renewable energy resource and a non-renewable energy resource are used to generate the electric energy, the Secretary shall issue the Federal renewable energy credits based on the proportion of the renewable energy resources used.

“(G) When a generator has sold electric energy generated through the use of a renewable energy resource to a retail electric supplier under a contract for power from an existing facility, and the contract has not determined ownership of the Federal renewable energy credits associated with such generation, the Secretary shall issue such Federal renewable energy credits to the retail electric supplier for the duration of the contract.

“(H) Payments made by a retail electricity supplier, directly or indirectly, to a State for compliance with a State renewable portfolio standard program, or for an alternative compliance mechanism, shall be valued at one credit per kilowatt hour for the purpose of subsection (b)(2) based on the amount of electric energy generation from renewable resources and electricity savings up to 27 percent of the utility’s requirement that results from those payments.

“(f) EXISTING FACILITIES.—The Secretary shall ensure that a retail electric supplier that acquires Federal renewable energy credits associated with the generation of renewable energy from an existing facility may use such credits for purpose of its compliance with subsection (b)(1). Such credits may not be sold, exchanged, or transferred for the purpose of compliance by another retail electric supplier.

“(g) RENEWABLE ENERGY CREDIT TRADING.—(1) A Federal renewable energy credit, may be sold, transferred, or exchanged by the entity to whom issued or by any other entity who acquires the Federal renewable energy credit, except for those renewable energy credits from existing facilities. A Federal renewable energy credit for any year that is not submitted to satisfy the minimum renewable generation requirement of subsection (c) for that year may be carried forward for use pursuant to subsection (b)(1) within the next 3 years.

“(2) A federally owned or cooperatively owned utility, or a State or subdivision thereof, that is not a retail electric supplier that generates electric energy by the use of a renewable energy resource at an eligible facility may only sell, transfer or exchange a Federal renewable energy credit to a cooperatively owned utility or an agency, authority, or instrumentality of a State or political subdivision of a State that is a retail electric supplier that has acquired the electric energy associated with the credit.

“(3) The Secretary may delegate to an appropriate market-making entity the administration of a national tradeable renewable energy credit market and a national energy efficiency credit market for purposes of creating a transparent national market for the sale or trade of renewable energy credits and a transparent national market for the sale or trade of Federal energy efficiency credits.

“(h) RENEWABLE ENERGY CREDIT BORROWING.—At any time before the end of calendar year 2012, a retail electric supplier that has reason to believe it will not be able to fully comply with subsection (b) may—

“(1) submit a plan to the Secretary demonstrating that the retail electric supplier

will earn sufficient Federal renewable energy credits and Federal energy efficiency credits within the next 3 calendar years which, when taken into account, will enable the retail electric supplier to meet the requirements of subsection (b) for calendar year 2012 and the subsequent calendar years involved; and

“(2) upon the approval of the plan by the Secretary, apply Federal renewable energy credits and Federal energy efficiency credits that the plan demonstrates will be earned within the next 3 calendar years to meet the requirements of subsection (b) for each calendar year involved.

The retail electric supplier must repay all of the borrowed Federal renewable energy credits and Federal energy efficiency credits by submitting an equivalent number of Federal renewable energy credits and Federal energy efficiency credits, in addition to those otherwise required under subsection (b), by calendar year 2020 or any earlier deadlines specified in the approved plan. Failure to repay the borrowed Federal renewable energy credits and Federal energy efficiency credits shall subject the retail electric supplier to civil penalties under subsection (i) for violation of the requirements of subsection (b) for each calendar year involved.

“(i) ENERGY EFFICIENCY CREDITS.—

“(1) DEFINITIONS.—In this subsection—

“(A) CUSTOMER FACILITY SAVINGS.—The term ‘customer facility savings’ means a reduction in end-use electricity at a facility of an end-use consumer of electricity served by a retail electric supplier, as compared to—

“(i) consumption at the facility during a base year;

“(ii) in the case of new equipment (regardless of whether the new equipment replaces existing equipment at the end of the useful life of the existing equipment), consumption by the new equipment of average efficiency; or

“(iii) in the case of a new facility, consumption at a reference facility.

“(B) ELECTRICITY SAVINGS.—The term ‘electricity savings’ means—

“(i) customer facility savings of electricity consumption adjusted to reflect any associated increase in fuel consumption at the facility;

“(ii) reductions in distribution system losses of electricity achieved by a retail electricity distributor, as compared to losses during the base years;

“(iii) the output of new combined heat and power systems, to the extent provided under paragraph (5); and

“(iv) recycled energy savings.

“(C) QUALIFYING ELECTRICITY SAVINGS.—The term ‘qualifying electricity savings’ means electricity savings that meet the measurement and verification requirements of paragraph (4).

“(D) RECYCLED ENERGY SAVINGS.—The term ‘recycled energy savings’ means a reduction in electricity consumption that is attributable to electrical or mechanical power, or both, produced by modifying an industrial or commercial system that was in operation before July 1, 2007, in order to recapture energy that would otherwise be wasted.

“(2) PETITION.—The Governor of a State may petition the Secretary to allow up to 27 percent of the requirements of a retail electric supplier under subsection (c) in the State to be met by submitting Federal energy efficiency credits issued pursuant to this subsection.

“(3) ISSUANCE OF CREDITS.—(A) Upon petition by the Governor, the Secretary shall issue energy efficiency credits for electricity savings described in subparagraph (B) achieved in States described in paragraph (2) in accordance with this subsection.

“(B) In accordance with regulations promulgated by the Secretary, the Secretary shall issue credits for—

“(i) qualified electricity savings achieved by a retail electric supplier in a calendar year; and

“(ii) qualified electricity savings achieved by other entities if—

“(I) the measures used to achieve the qualifying electricity savings were installed or placed in operation by the entity seeking the credit or the designated agent of the entity; and

“(II) no retail electric supplier paid a substantial portion of the cost of achieving the qualified electricity savings (unless the retail electric supplier has waived any entitlement to the credit).

“(4) MEASUREMENT AND VERIFICATION OF ELECTRICITY SAVINGS.—Not later than June 30, 2009, the Secretary shall promulgate regulations regarding the measurement and verification of electricity savings under this subsection, including regulations covering—

“(A) procedures and standards for defining and measuring electricity savings that will be eligible to receive credits under paragraph (3), which shall—

“(i) specify the types of energy efficiency and energy conservation that will be eligible for the credits;

“(ii) require that energy consumption for customer facilities or portions of facilities in the applicable base and current years be adjusted, as appropriate, to account for changes in weather, level of production, and building area;

“(iii) account for the useful life of electricity savings measures;

“(iv) include specified electricity savings values for specific, commonly-used efficiency measures;

“(v) specify the extent to which electricity savings attributable to measures carried out before the date of enactment of this section are eligible to receive credits under this subsection; and

“(vi) exclude electricity savings that (I) are not properly attributable to measures carried out by the entity seeking the credit; or (II) have already been credited under this section to another entity;

“(B) procedures and standards for third-party verification of reported electricity savings; and

“(C) such requirements for information, reports, and access to facilities as may be necessary to carry out this subsection.

“(5) COMBINED HEAT AND POWER.—Under regulations promulgated by the Secretary, the increment of electricity output of a new combined heat and power system that is attributable to the higher efficiency of the combined system (as compared to the efficiency of separate production of the electric and thermal outputs), shall be considered electricity savings under this subsection.

“(j) ENFORCEMENT.—A retail electric supplier that does not comply with subsection (b) shall be liable for the payment of a civil penalty. That penalty shall be calculated on the basis of the number of kilowatt-hours represented by the retail electric supplier's failure to comply with subsection (b), multiplied by the lesser of 4.5 cents (adjusted for inflation for such calendar year, based on the Gross Domestic Product Implicit Price Deflator) or 300 percent of the average market value of Federal renewable energy credits and energy efficiency credits for the compliance period. Any such penalty shall be due and payable without demand to the Secretary as provided in the regulations issued under subsection (e).

“(k) ALTERNATIVE COMPLIANCE PAYMENTS.—The Secretary shall accept payment equal to the lesser of:

“(1) 200 percent of the average market value of Federal renewable energy credits and Federal energy efficiency credits for the applicable compliance period; or

“(2) 2.5 cents per kilowatt hour adjusted on January 1 of each year following calendar year 2006 based on the Gross Domestic Product Implicit Price Deflator, as a means of compliance under subsection (b)(4)

“(1) INFORMATION COLLECTION.—The Secretary may collect the information necessary to verify and audit—

“(1) the annual renewable energy generation of any retail electric supplier, Federal renewable energy credits submitted by a retail electric supplier pursuant to subsection (b)(1) and Federal energy efficiency credits submitted by a retail electric supplier pursuant to subsection (b)(2);

“(2) annual electricity savings achieved pursuant to subsection (i);

“(3) the validity of Federal renewable energy credits submitted for compliance by a retail electric supplier to the Secretary; and

“(4) the quantity of electricity sales of all retail electric suppliers.

“(m) ENVIRONMENTAL SAVINGS CLAUSE.—Incremental hydropower shall be subject to all applicable environmental laws and licensing and regulatory requirements.

“(n) STATE PROGRAMS.—(1) Nothing in this section diminishes any authority of a State or political subdivision of a State to—

“(A) adopt or enforce any law or regulation respecting renewable energy or energy efficiency, including but not limited to programs that exceed the required amount of renewable energy or energy efficiency under this section, or

“(B) regulate the acquisition and disposition of Federal renewable energy credits and Federal energy efficiency credits by retail electric suppliers.

No law or regulation referred to in subparagraph (A) shall relieve any person of any requirement otherwise applicable under this section. The Secretary, in consultation with States having renewable energy programs and energy efficiency programs, shall preserve the integrity of such State programs, including programs that exceed the required amount of renewable energy and energy efficiency under this section, and shall facilitate coordination between the Federal program and State programs.

“(2) In the rule establishing the program under this section, the Secretary shall incorporate common elements of existing renewable energy and energy efficiency programs, including State programs, to ensure administrative ease, market transparency, and effective enforcement. The Secretary shall work with the States to minimize administrative burdens and costs to retail electric suppliers.

“(o) RECOVERY OF COSTS.—An electric utility whose sales of electric energy are subject to rate regulation, including any utility whose rates are regulated by the Commission and any State regulated electric utility, shall not be denied the opportunity to recover the full amount of the prudently incurred incremental cost of renewable energy and energy efficiency obtained to comply with the requirements of subsection (b). For purposes of this subsection, the definitions in section 3 of this Act shall apply to the terms electric utility, State regulated electric utility, State agency, Commission, and State regulatory authority.

“(p) PROGRAM REVIEW.—The Secretary shall enter into a contract with the National Academy of Sciences to conduct a comprehensive evaluation of all aspects of the program established under this section, within 8 years of enactment of this section. The study shall include an evaluation of—

“(1) the effectiveness of the program in increasing the market penetration and low-

ering the cost of the eligible renewable energy and energy efficiency technologies;

“(2) the opportunities for any additional technologies and sources of renewable energy and energy efficiency emerging since enactment of this section;

“(3) the impact on the regional diversity and reliability of supply sources, including the power quality benefits of distributed generation;

“(4) the regional resource development relative to renewable potential and reasons for any under investment in renewable resources; and

“(5) the net cost/benefit of the renewable electricity standard to the national and State economies, including retail power costs, economic development benefits of investment, avoided costs related to environmental and congestion mitigation investments that would otherwise have been required, impact on natural gas demand and price, effectiveness of green marketing programs at reducing the cost of renewable resources.

The Secretary shall transmit the results of the evaluation and any recommendations for modifications and improvements to the program to Congress not later than January 1, 2016.

“(q) STATE RENEWABLE ENERGY AND ENERGY EFFICIENCY ACCOUNT PROGRAM.—(1) There is established in the Treasury a State renewable energy and energy efficiency account program.

“(2) All money collected by the Secretary from the alternative compliance payments under subsection (k) shall be deposited into the State renewable energy and energy efficiency account established pursuant to this subsection.

“(3) Proceeds deposited in the State renewable energy and energy efficiency account shall be used by the Secretary, subject to annual appropriations, for a program to provide grants to the State agency responsible for administering a fund to promote renewable energy generation and energy efficiency for customers of the State, or an alternative agency designated by the State, or if no such agency exists, to the State agency developing State energy conservation plans under section 363 of the Energy Policy and Conservation Act (42 U.S.C. 6322) for the purposes of promoting renewable energy production and providing energy assistance and weatherization services to low-income consumers.

“(4) The Secretary may issue guidelines and criteria for grants awarded under this subsection. At least 75 percent of the funds provided to each State shall be used for promoting renewable energy production and energy efficiency through grants, production incentives or other state-approved funding mechanisms. The funds shall be allocated to the States on the basis of retail electric sales subject to the Renewable electricity Standard under this section or through voluntary participation. State agencies receiving grants under this section shall maintain such records and evidence of compliance as the Secretary may require.”

(b) TABLE OF CONTENTS.—The table of contents for such title is amended by adding the following new item at the end:

“Sec. 610. Federal renewable electricity standard.”

(c) SUNSET.—Section 610 of such title and the item relating to such section 610 in the table of contents for such title are each repealed as of December 31, 2039.

**TITLE VI—GREEN RESOURCES FOR ENERGY EFFICIENT NEIGHBORHOODS**  
**SEC. 601. SHORT TITLE AND TABLE OF CONTENTS.**

This title may be cited as the “Green Resources for Energy Efficient Neighborhoods Act of 2008” or the “GREEN Act of 2008”.

**SEC. 602. DEFINITIONS.**

For purposes of this title, the following definitions shall apply:

(1) **GREEN BUILDING STANDARDS.**—The term “green building standards” means standards to require use of sustainable design principles to reduce the use of nonrenewable resources, encourage energy-efficient construction and rehabilitation and the use of renewable energy resources, minimize the impact of development on the environment, and improve indoor air quality.

(2) **HUD.**—The term “HUD” means the Department of Housing and Urban Development.

(3) **HUD ASSISTANCE.**—The term “HUD assistance” means financial assistance that is awarded, competitively or noncompetitively, allocated by formula, or provided by HUD through loan insurance or guarantee.

(4) **NONRESIDENTIAL STRUCTURE.**—The term “nonresidential structures” means only nonresidential structures that are appurtenant to single family or multifamily housing residential structures, or those that are funded by the Secretary of Housing and Urban Development through the HUD Community Development Block Grant program.

(5) **SECRETARY.**—The term “Secretary”, unless otherwise specified, means the Secretary of Housing and Urban Development.

**SEC. 603. IMPLEMENTATION OF ENERGY EFFICIENCY PARTICIPATION INCENTIVES FOR HUD PROGRAMS.**

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Secretary shall issue such regulations as may be necessary to establish annual energy efficiency participation incentives to encourage participants in programs administered by the Secretary, including recipients under programs for which HUD assistance is provided, to achieve substantial improvements in energy efficiency.

(b) **REQUIREMENT FOR APPROPRIATION OF FUNDS.**—The requirement under subsection (a) for the Secretary to provide annual energy efficiency participation incentives pursuant to the provisions of this title shall be subject to the annual appropriation of necessary funds.

**SEC. 604. MINIMUM HUD ENERGY EFFICIENCY STANDARDS AND STANDARDS FOR ADDITIONAL CREDIT.**

(a) **MINIMUM HUD STANDARD.**—

(1) **RESIDENTIAL STRUCTURES.**—A residential single family or multifamily structure shall be considered to comply with the energy efficiency requirements under this subsection if—

(A) the structure complies with the applicable provisions of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1-2007, as such standard or successor standard is in effect for purposes of this section pursuant subsection (c);

(B) the structure complies with the applicable provisions of the 2006 International Energy Conservation Code, as such standard or successor standard is in effect for purposes of this section pursuant subsection (c);

(C) in the case only of an existing structure, where determined cost effective, the structure has undergone rehabilitation or improvements, completed after the date of the enactment of this Act, and the energy consumption for the structure has been reduced by at least 20 percent from the previous level of consumption, as determined in accordance with energy audits performed both before and after any rehabilitation or improvements undertaken to reduce such consumption; or

(D) the structure complies with the applicable provisions of such other energy efficiency requirements, standards, checklists, or ratings systems as the Secretary may adopt and apply by regulation, as may be

necessary, for purposes of this section for specific types of residential single family or multifamily structures or otherwise, except that the Secretary shall make a determination regarding whether to adopt and apply any such requirements, standards, checklists, or rating system for purposes of this section not later than the expiration of the 180-day period beginning upon the date of receipt of any written request, made in such form as the Secretary shall provide, for such adoption and application.

In addition to compliance with any of subparagraphs (A) through (D), the Secretary shall by regulation require, for any newly constructed residential single family or multifamily structure to be considered to comply with the energy efficiency requirements under this subsection, that the structure have appropriate electrical outlets with the facility and capacity to recharge a standard electric passenger vehicle, including an electric hybrid vehicle, where such vehicle would normally be parked.

(2) **NONRESIDENTIAL STRUCTURES.**—For purposes of this section, the Secretary shall identify and adopt by regulation, as may be necessary, energy efficiency requirements, standards, checklists, or rating systems applicable to nonresidential structures that are constructed or rehabilitated with HUD assistance. A nonresidential structure shall be considered to comply with the energy efficiency requirements under this subsection if the structure complies with the applicable provisions of any such energy efficiency requirements, standards, checklist, or rating systems identified and adopted by the Secretary pursuant to this paragraph, as such standards are in effect for purposes of this section pursuant to subsection (c).

(b) **ADDITIONAL CREDIT FOR COMPLIANCE WITH ENHANCED ENERGY EFFICIENCY STANDARDS.**—

(1) **IN GENERAL.**—In addition to compliance with the energy efficiency requirements under subsection (a), a residential or nonresidential structure shall be considered to comply with the enhanced energy efficiency and conservation standards or the green building standards under this subsection, to the extent that such structure complies with the applicable provisions of the standards under paragraph (2) or (3), respectively (as such standards are in effect for purposes of this section, pursuant to subsection (c)), in a manner that is not required for compliance with the energy efficiency requirements under subsection (a) and subject to the Secretary's determination of which standards are applicable to which structures.

(2) **ENERGY EFFICIENCY AND CONSERVATION STANDARDS.**—The energy efficiency and conservation standards under this paragraph are as follows:

(A) **RESIDENTIAL STRUCTURES.**—With respect to residential structures:

(i) **NEW CONSTRUCTION.**—For new construction, the Energy Star standards established by the Environmental Protection Agency, as such standards are in effect for purposes of this subsection pursuant to subsection (c);

(ii) **EXISTING STRUCTURES.**—For existing structures, a reduction in energy consumption from the previous level of consumption for the structure, as determined in accordance with energy audits performed both before and after any rehabilitation or improvements undertaken to reduce such consumption, that exceeds the reduction necessary for compliance with the energy efficiency requirement under subsection (a)(1)(C).

(B) **NONRESIDENTIAL STRUCTURES.**—With respect to nonresidential structures, such energy efficiency and conservation requirements, standards, checklists, or rating systems for nonresidential structures as the Secretary shall identify and adopt by regula-

tion, as may be necessary, for purposes of this paragraph.

(3) **GREEN BUILDING STANDARDS.**—The green building standards under this paragraph are as follows:

(A) The national Green Communities criteria checklist for residential construction that provides criteria for the design, development, and operation of affordable housing, as such checklist or successor checklist is in effect for purposes of this section pursuant to subsection (c).

(B) The gold certification level for the LEED for New Construction rating system, the LEED for Homes rating system, the LEED for Core and Shell rating system, as applicable, as such systems or successor systems are in effect for purposes of this section pursuant to subsection (c).

(C) The Green Globes assessment and rating system of the Green Buildings Initiative.

(D) For manufactured housing, energy star rating with respect to fixtures, appliances, and equipment in such housing, as such standard or successor standard is in effect for purposes of this section pursuant to subsection (c).

(E) The National Green Building Standard, but such standard shall apply for purposes of this paragraph only—

(i) if such standard is ratified under the American National Standards Institute process;

(ii) upon expiration of the 180-day period beginning upon such ratification; and

(iii) if, during such 180-day period, the Secretary of Housing and Urban Development does not reject the applicability of such standard for purposes of this paragraph.

(F) Any other requirements, standards, checklists, or rating systems for green building or sustainability as the Secretary may identify and adopt by regulation, as may be necessary for purposes of this paragraph, except that the Secretary shall make a determination regarding whether to adopt and apply any such requirements, standards, checklist, or rating system for purposes of this section not later than the expiration of the 180-day period beginning upon date of receipt of any written request, made in such form as the Secretary shall provide, for such adoption and application.

(4) **GREEN BUILDING.**—For purposes of this subsection, the term “green building” means, with respect to standards for structures, standards to require use of sustainable design principles to reduce the use of nonrenewable resources, minimize the impact of development on the environment, and to improve indoor air quality.

(5) **ENERGY AUDITS.**—The Secretary shall establish standards and requirements for energy audits for purposes of paragraph (2)(A)(ii) and, in establishing such standards, may consult with any advisory committees established pursuant to section 605(c)(2) of this title.

(c) **APPLICABILITY AND UPDATING OF STANDARDS.**—

(1) **APPLICABILITY.**—Except as provided in paragraph (2), the requirements, standards, checklists, and rating systems referred to in subsections (a) and (b) that are in effect for purposes of this section are such requirements, standards, checklists, and systems are as in existence upon the date of the enactment of this Act.

(2) **UPDATING.**—For purposes of this section, the Secretary may adopt and apply by regulation, as may be necessary, future amendments and supplements to, and editions of, the requirements, standards, checklists, and rating systems referred to in subsections (a) and (b).

**SEC. 605. ENERGY EFFICIENCY AND CONSERVATION DEMONSTRATION PROGRAM FOR MULTIFAMILY HOUSING PROJECTS ASSISTED WITH PROJECT-BASED RENTAL ASSISTANCE.**

(a) **AUTHORITY.**—For multifamily housing projects for which project-based rental assistance is provided under a covered multifamily assistance program, the Secretary shall, subject to the availability of amounts provided in advance in appropriation Acts, carry out a program to demonstrate the effectiveness of funding a portion of the costs of meeting the enhanced energy efficiency standards under section 604(b). At the discretion of the Secretary, the demonstration program may include incentives for housing that is assisted with Indian housing block grants provided pursuant to the Native American Housing Assistance and Self-Determination Act of 1996, but only to the extent that such inclusion does not violate such Act, its regulations, and the goal of such Act of tribal self-determination.

(b) **GOALS.**—The demonstration program under this section shall be carried out in a manner that—

(1) protects the financial interests of the Federal Government;

(2) reduces the proportion of funds provided by the Federal Government and by owners and residents of multifamily housing projects that are used for costs of utilities for the projects;

(3) encourages energy efficiency and conservation by owners and residents of multifamily housing projects and installation of renewable energy improvements, such as improvements providing for use of solar, wind, geothermal, or biomass energy sources;

(4) creates incentives for project owners to carry out such energy efficiency renovations and improvements by allowing a portion of the savings in operating costs resulting from such renovations and improvements to be retained by the project owner, notwithstanding otherwise applicable limitations on dividends;

(5) promotes the installation, in existing residential buildings, of energy-efficient and cost-effective improvements and renewable energy improvements, such as improvements providing for use of solar, wind, geothermal, or biomass energy sources;

(6) tests the efficacy of a variety of energy efficiency measures for multifamily housing projects of various sizes and in various geographic locations;

(7) tests methods for addressing the various, and often competing, incentives that impede owners and residents of multifamily housing projects from working together to achieve energy efficiency or conservation; and

(8) creates a database of energy efficiency and conservation, and renewable energy, techniques, energy savings management practices, and energy efficiency and conservation financing vehicles.

(c) **APPROACHES.**—In carrying out the demonstration program under this section, the Secretary may—

(1) enter into agreements with the Building America Program of the Department of Energy and other consensus committees under which such programs, partnerships, or committees assume some or all of the functions, obligations, and benefits of the Secretary with respect to energy savings;

(2) establish advisory committees to advise the Secretary and any such third party partners on technological and other developments in the area of energy efficiency and the creation of an energy efficiency and conservation credit facility and other financing opportunities, which committees shall include representatives of homebuilders, real-

tors, architects, nonprofit housing organizations, environmental protection organizations, renewable energy organizations, and advocacy organizations for the elderly and persons with disabilities; any advisory committees established pursuant to this paragraph shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.);

(3) approve, for a period not to exceed 10 years, additional adjustments in the maximum monthly rents or additional project rental assistance, or additional Indian housing block grant funds under the Native American Housing Assistance and Self-Determination Act of 1996, as applicable, for dwelling units in multifamily housing projects that are provided project-based rental assistance under a covered multifamily assistance program, in such amounts as may be necessary to amortize a portion of the cost of energy efficiency and conservation measures for such projects;

(4) develop a competitive process for the award of such additional assistance for multifamily housing projects seeking to implement energy efficiency, renewable energy sources, or conservation measures; and

(5) waive or modify any existing statutory or regulatory provision that would otherwise impair the implementation or effectiveness of the demonstration program under this section, including provisions relating to methods for rent adjustments, comparability standards, maximum rent schedules, and utility allowances; notwithstanding the preceding provisions of this paragraph, the Secretary may not waive any statutory requirement relating to fair housing, non-discrimination, labor standards, or the environment, except pursuant to existing authority to waive non-statutory environmental and other applicable requirements.

(d) **REQUIREMENT.**—During the 4-year period beginning 12 months after the date of the enactment of this Act, the Secretary shall carry out demonstration programs under this section with respect to not fewer than 50,000 dwelling units.

(e) **SELECTION.**—

(1) **SCOPE.**—In order to provide a broad and representative profile for use in designing a program which can become operational and effective nationwide, the Secretary shall carry out the demonstration program under this section with respect to dwelling units located in a wide variety of geographic areas and project types assisted by the various covered multifamily assistance programs and using a variety of energy efficiency and conservation and funding techniques to reflect differences in climate, types of dwelling units and technical and scientific methodologies, and financing options. The Secretary shall ensure that the geographic areas included in the demonstration program include dwelling units on Indian lands (as such term is defined in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501), to the extent that dwelling units on Indian land have the type of residential structures that are the focus of the demonstration program.

(2) **PRIORITY.**—The Secretary shall provide priority for selection for participation in the program under this section based on the extent to which, as a result of assistance provided, the project will comply with the energy efficiency standards under subsection (a), (b), or (c) of section 604 of this title.

(f) **USE OF EXISTING PARTNERSHIPS.**—To the extent feasible, the Secretary shall—

(1) utilize the Partnership for Advancing Technology in Housing of the Department of Housing and Urban Development to assist in carrying out the requirements of this section and to provide education and outreach regarding the demonstration program authorized under this section; and

(2) consult with the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the Secretary of the Army regarding utilizing the Building America Program of the Department of Energy, the Energy Star Program, and the Army Corps of Engineers, respectively, to determine the manner in which they might assist in carrying out the goals of this section and providing education and outreach regarding the demonstration program authorized under this section.

(g) **REPORTS.**—

(1) **ANNUAL.**—Not later than the expiration of the 2-year beginning upon the date of the enactment of this Act, and for each year thereafter during the term of the demonstration program, the Secretary shall submit a report to the Congress annually that describes and assesses the demonstration program under this section.

(2) **FINAL.**—Not later than six months after the expiration of the 4-year period described in subsection (d), the Secretary shall submit a final report to the Congress assessing the demonstration program, which—

(A) shall assess the potential for expanding the demonstration program on a nationwide basis; and

(B) shall include descriptions of—

(i) the size of each multifamily housing project for which assistance was provided under the program;

(ii) the geographic location of each project assisted, by State and region;

(iii) the criteria used to select the projects for which assistance is provided under the program;

(iv) the energy efficiency and conservation measures and financing sources used for each project that is assisted under the program;

(v) the difference, before and during participation in the demonstration program, in the amount of the monthly assistance payments under the covered multifamily assistance program for each project assisted under the program;

(vi) the average length of the term of the such assistance provided under the program for a project;

(vii) the aggregate amount of savings generated by the demonstration program and the amount of savings expected to be generated by the program over time on a per-unit and aggregate program basis;

(viii) the functions performed in connection with the implementation of the demonstration program that were transferred or contracted out to any third parties;

(ix) an evaluation of the overall successes and failures of the demonstration program; and

(x) recommendations for any actions to be taken as a result of the such successes and failures.

(3) **CONTENTS.**—Each annual report pursuant to paragraph (1) and the final report pursuant to paragraph (2) shall include—

(A) a description of the status of each multifamily housing project selected for participation in the demonstration program under this section; and

(B) findings from the program and recommendations for any legislative actions.

(h) **COVERED MULTIFAMILY ASSISTANCE PROGRAM.**—For purposes of this section, the term “covered multifamily assistance program” means—

(1) the program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) for project-based rental assistance;

(2) the program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for assistance for supportive housing for the elderly;

(3) the program under section 811 of the Cranston-Gonzalez National Affordable



Housing Act (42 U.S.C. 8013) for supportive housing for persons with disabilities; and

(4) the program for assistance under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111).

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$50,000,000 for each fiscal year in which the demonstration program under this section is carried out.

(j) **REGULATIONS.**—Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall issue any regulations necessary to carry out this section.

**SEC. 606. ADDITIONAL CREDIT FOR FANNIE MAE AND FREDDIE MAC HOUSING GOALS FOR ENERGY EFFICIENT MORTGAGES.**

Section 1336(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 4566(a)), as amended by the Federal Housing Finance Regulatory Reform Act of 2008 (Public Law 110-289; 122 Stat. 2654), is amended—

(1) in paragraph (2), by striking “paragraph (5)” and inserting “paragraphs (5) and (6)”; and

(2) by adding at the end the following new paragraph:

“(6) **ADDITIONAL CREDIT.**—

“(A) **IN GENERAL.**—In assigning credit toward achievement under this section of the housing goals for mortgage purchase activities of the enterprises, the Director shall assign—

“(i) more than 125 percent credit, for such purchases that both—

“(I) comply with the requirements of such goals; and

“(II) support housing that meets the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008; and

“(ii) credit in addition to credit under clause (i), for purchases that both—

“(I) comply with the requirements of such goals; and

“(II) support housing that complies with the enhanced energy efficiency and conservation standards, or the green building standards, under section 604(b) of such Act, or both,

and such additional credit shall be given based on the extent to which the housing supported with such purchases complies with such standards.

“(B) **TREATMENT OF ADDITIONAL CREDIT.**—The availability of additional credit under this paragraph shall not be used to increase any housing goal, subgoal, or target established under this subpart.”.

**SEC. 607. DUTY TO SERVE UNDERSERVED MARKETS FOR ENERGY-EFFICIENT AND LOCATION-EFFICIENT MORTGAGES.**

Section 1335 of Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4565), as amended by the Federal Housing Finance Regulatory Reform Act of 2008 (Public Law 110-289; 122 Stat. 2654), is amended—

(1) in subsection (a)(1), by adding at the end the following new subparagraph:

“(D) **MARKETS FOR ENERGY-EFFICIENT AND LOCATION-EFFICIENT MORTGAGES.**—

“(i) **DUTY.**—Subject to clause (ii), the enterprise shall develop loan products and flexible underwriting guidelines to facilitate a secondary market for energy-efficient and location-efficient mortgages on housing for very low-, low-, and moderate income families, and for second and junior mortgages made for purposes of energy efficiency or renewable energy improvements, or both.

“(ii) **AUTHORITY TO SUSPEND.**—Notwithstanding any other provision of this section, the Director may suspend the applicability of the requirement under clause (i) with re-

spect to an enterprise, for such period as is necessary, if the Director determines that exigent circumstances exist and such suspension is appropriate to ensure the safety and soundness of the portfolio holdings of the enterprise.”.

(2) by adding at the end the following new subsection:

“(e) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

“(1) **ENERGY-EFFICIENT MORTGAGE.**—The term ‘energy efficient mortgage’ means a mortgage loan under which the income of the borrower, for purposes of qualification for such loan, is considered to be increased by not less than \$1 for each \$1 of savings projected to be realized by the borrower as a result of cost-effective energy saving design, construction or improvements (including use of renewable energy sources, such as solar, geothermal, biomass, and wind, super-insulation, energy-saving windows, insulating glass and film, and radiant barrier) for the home for which the loan is made.

“(2) **LOCATION-EFFICIENT MORTGAGE.**—The term ‘location efficient mortgage’ means a mortgage loan under which—

“(A) the income of the borrower, for purposes of qualification for such loan, is considered to be increased by not less than \$1 for each \$1 of savings projected to be realized by the borrower because the location of the home for which loan is made will result in decreased transportation costs for the household of the borrower; or

“(B) the sum of the principal, interest, taxes, and insurance due under the mortgage loan is decreased by not less than \$1 for each \$1 of savings projected to be realized by the borrower because the location of the home for which loan is made will result in decreased transportation costs for the household of the borrower.”.

**SEC. 608. CONSIDERATION OF ENERGY EFFICIENCY UNDER FHA MORTGAGE INSURANCE PROGRAMS AND NATIVE AMERICAN AND NATIVE HAWAIIAN LOAN GUARANTEE PROGRAMS.**

(a) **FHA MORTGAGE INSURANCE.**—

(1) **REQUIREMENT.**—Title V of the National Housing Act is amended by adding after section 542 (12 U.S.C. 1735f-20) the following new section:

**“SEC. 543. CONSIDERATION OF ENERGY EFFICIENCY.**

“(a) **UNDERWRITING STANDARDS.**—The Secretary shall establish a method to consider, in its underwriting standards for mortgages on single-family housing meeting the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are insured under this Act, the impact that savings on utility costs has on the income of the mortgagor.

“(b) **GOAL.**—It is the sense of the Congress that, in carrying out this Act, the Secretary should endeavor to insure mortgages on single-family housing meeting the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 such that at least 50,000 such mortgages are insured during the period beginning upon the date of the enactment of such Act and ending on December 31, 2012.”.

(2) **REPORTING ON DEFAULTS.**—Section 540(b) of the National Housing Act (12 U.S.C. 1735f-18(b)) is amended by adding at the end the following new paragraph:

“(3) With respect to each collection period that commences after December 31, 2011, the total number of mortgages on single-family housing meeting the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are insured by the Secretary during the applicable collection period, the number of defaults and foreclosures occur-

ring on such mortgages during such period, the percentage of the total of such mortgages insured during such period on which defaults and foreclosure occurred, and the rate for such period of defaults and foreclosures on such mortgages compared to the overall rate for such period of defaults and foreclosures on mortgages for single-family housing insured under this Act by the Secretary.”.

(b) **INDIAN HOUSING LOAN GUARANTEES.**—

(1) **REQUIREMENT.**—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a) is amended—

(A) by redesignating subsection (1) as subsection (m); and

(B) by inserting after subsection (k) the following new subsection:

“(1) **CONSIDERATION OF ENERGY EFFICIENCY.**—The Secretary shall establish a method to consider, in its underwriting standards for loans for single-family housing meeting the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are guaranteed under this section, the impact that savings on utility costs has on the income of the borrower.”.

(2) **REPORTING ON DEFAULTS.**—Section 540(b) of the National Housing Act (12 U.S.C. 1735f-18(b)), as amended by subsection (a)(2) of this section, is further amended by adding at the end the following new paragraph:

“(4) With respect to each collection period that commences after December 31, 2011, the total number of loans guaranteed under section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a) on single-family housing meeting the enhanced energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are guaranteed by the Secretary during the applicable collection period, the number of defaults and foreclosures occurring on such loans during such period, the percentage of the total of such loans guaranteed during such period on which defaults and foreclosure occurred, and the rate for such period of defaults and foreclosures on such loans compared to the overall rate for such period of defaults and foreclosures on loans for single-family housing guaranteed under such section 184 by the Secretary.”.

(c) **NATIVE HAWAIIAN HOUSING LOAN GUARANTEES.**—

(1) **REQUIREMENT.**—Section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b) is amended by inserting after subsection (1) the following new subsection:

“(m) **ENERGY-EFFICIENT HOUSING REQUIREMENT.**—The Secretary shall establish a method to consider, in its underwriting standards for loans for single-family housing meeting the energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are guaranteed under this section, the impact that savings on utility costs has on the income of the borrower.”.

(2) **REPORTING ON DEFAULTS.**—Section 540(b) of the National Housing Act (12 U.S.C. 1735f-18(b)), as amended by the preceding provisions of this section, is further amended by adding at the end the following new paragraph:

“(5) With respect to each collection period that commences after December 31, 2011, the total number of loans guaranteed under section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b) on single-family housing meeting the enhanced energy efficiency standards under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 that are

guaranteed by the Secretary during the applicable collection period, the number of defaults and foreclosures occurring on such loans during such period, the percentage of the total of such loans guaranteed during such period on which defaults and foreclosure occurred, and the rate for such period of defaults and foreclosures on such loans compared to the overall rate for such period of defaults and foreclosures on loans for single-family housing guaranteed under such section 184A by the Secretary.”.

**SEC. 609. ENERGY EFFICIENT MORTGAGES EDUCATION AND OUTREACH CAMPAIGN.**

Section 106 of the Energy Policy Act of 1992 (12 U.S.C. 1701z-16) is amended by adding at the end the following new subsection:

“(g) EDUCATION AND OUTREACH CAMPAIGN.—“(1) DEVELOPMENT OF ENERGY-EFFICIENT MORTGAGE OUTREACH PROGRAM.—

“(A) COMMISSION.—The Secretary, in consultation and coordination with the Secretary of Energy, the Secretary of Education, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, shall establish a commission to develop and recommend model mortgage products and underwriting guidelines that provide market-based incentives to prospective home buyers, lenders, and sellers to incorporate energy efficiency upgrades in new mortgage loan transactions.

“(B) REPORT.—Not later than 24 months after the date of the enactment of the Green Resources for Energy Efficient Neighborhoods Act of 2008, the Secretary shall provide a written report to the Congress on the results of work of the commission established pursuant to subparagraph (A) and that identifies model mortgage products and underwriting guidelines that may encourage energy efficiency.

“(2) IMPLEMENTATION.—After submission of the report under paragraph (1)(B), the Secretary, in consultation and coordination with the Secretary of Energy, the Secretary of Education, and the Administrator of the Environmental Protection Agency, shall carry out a public awareness, education, and outreach campaign based on the findings of the commission established pursuant to paragraph (1) to inform and educate residential lenders and prospective borrowers regarding the availability, benefits, advantages, and terms of energy efficient mortgages made available pursuant to this section, energy efficient mortgages that meet the requirements of section 1335 of the Housing and Community Development Act of 1992 (42 U.S.C. 4565), and other mortgages, including mortgages for multifamily housing, that have energy improvement features and to publicize such availability, benefits, advantages, and terms. Such actions may include entering into a contract with an appropriate entity to publicize and market such mortgages through appropriate media.

“(3) RENEWABLE ENERGY HOME PRODUCT EXPOS.—The Congress hereby encourages the Secretary of Housing and Urban Development to work with appropriate entities to organize and hold renewable energy expositions that provide an opportunity for the public to view and learn about renewable energy products for the home that are currently on the market.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this subsection \$5,000,000 for each of fiscal years 2009 through 2012.”.

**SEC. 610. COLLECTION OF INFORMATION ON ENERGY-EFFICIENT AND LOCATION EFFICIENT MORTGAGES THROUGH HOME MORTGAGE DISCLOSURE ACT.**

(a) IN GENERAL.—Section 304(b) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(b)) is amended—

(1) in paragraph (3), by striking “and” at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

“(5) the number and dollar amount of mortgage loans for single-family housing and for multifamily housing that are energy-efficient mortgages (as such term is defined in section 1335 of Housing and Community Development Act of 1992); and

“(6) the number and dollar amount of mortgage loans for single-family housing and for multifamily housing that are location-efficient mortgages (as such term is defined in section 1335 of Housing and Community Development Act of 1992).”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to the first calendar year that begins after the expiration of the 30-day period beginning on the date of the enactment of this Act.

**SEC. 611. ENSURING AVAILABILITY OF HOMEOWNERS INSURANCE FOR HOMES NOT CONNECTED TO ELECTRICITY GRID.**

(a) IN GENERAL.—In the case of any covered structure (as such term is defined in subsection (d)), it shall be unlawful for any insurer to deny homeowners insurance coverage for the structure, or to otherwise discriminate in the issuance, cancellation, amount of such coverage, or conditions of such coverage for the structure, based solely and without any additional actuarial risks upon the fact that the structure is not connected to, or able to receive electricity service from, any wholesale or retail electric power provider.

(b) CONSIDERATION OF ACTUARIAL RISK.—Subsection (a) may not be construed to prevent any insurer from charging rates for homeowners insurance coverage for a structure that are based on a good faith actuarial analysis of the risk associated with the structure not being connected to, or able to receive electricity service from, any wholesale or retail electric power provide. Any good faith analysis of such risk shall include analysis of the manner in which electric power for the structure is provided.

(c) INSURING HOMES AND RELATED PROPERTY IN INDIAN AREAS.—Notwithstanding any other provision of law, covered structures located in Indian areas (as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)) and constructed or maintained using assistance, loan guarantees, or other authority under the Native American Housing Assistance and Self-Determination Act of 1996 may be insured by any tribally owned self-insurance risk pool approved by the Secretary of Housing and Urban Development.

(d) COVERED STRUCTURE.—For purposes of this section, the term “covered structure” means a residential structure that—

(1) consists of one to four dwelling units;

(2) is provided power, heat, or electricity from renewable energy sources (such as solar, wind, geothermal, or biomass) or a fuel cell; and

(3) is not connected to any wholesale or retail electrical power grid.

**SEC. 612. MORTGAGE INCENTIVES FOR ENERGY-EFFICIENT MULTIFAMILY HOUSING.**

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall establish incentives for increasing the energy efficiency of multifamily housing that is subject to a mortgage to be insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.) so that the housing meets the energy efficiency standards under section 604(a) of this title and incentives to encourage compliance of such housing with the energy efficiency

and conservation standards, and the green building standards, under section 604(b) of this title, to the extent that such incentives are based on the impact that savings on utility costs has on the operating costs of the housing, as determined by the Secretary.

(b) INCENTIVES.—Such incentives may include, for any such multifamily housing that complies with the energy efficiency standards under section 604(a)—

(1) providing a discount on the chargeable premiums for the mortgage insurance for such housing from the amount otherwise chargeable for such mortgage insurance;

(2) allowing mortgages to exceed the dollar amount limits otherwise applicable under law to the extent such additional amounts are used to finance improvements or measures designed to meet the standards referred to in subsection (a); and

(3) reducing the amount that the owner of such multifamily housing meeting the standards referred to in subsection (a) is required to contribute.

**SEC. 613. ENERGY EFFICIENCY CERTIFICATIONS FOR HOUSING WITH MORTGAGES INSURED BY FHA.**

Section 526 of the National Housing Act (12 U.S.C. 1735f-4(a)) is amended—

(1) in subsection (a)—

(A) by striking “, other than manufactured homes,” each place such term appears;

(B) by inserting after the period at the end the following: “The energy performance requirements developed and established by the Secretary under this section for manufactured homes shall require energy star rating for wall fixtures, appliances, and equipment in such housing.”;

(C) by inserting “(1)” after “(a)”; and

(D) by adding at the end the following new paragraphs:

“(2) The Secretary shall require, with respect to any single- or multi-family residential housing subject to a mortgage insured under this Act, that any approval or certification of the housing for meeting any energy efficiency or conservation criteria, standards, or requirements pursuant to this title and any approval or certification required pursuant to this title with respect to energy conserving improvements or any renewable energy sources, such as wind, solar energy geothermal, or biomass, shall be conducted only by an individual certified by a home energy rating system provider who has been accredited to conduct such ratings by the Home Energy Ratings System Council, the Residential Energy Services Network, or such other appropriate national organization, as the Secretary may provide, or by licensed professional architect or engineer. If any organization makes a request to the Secretary for approval to accredit individuals to conduct energy efficiency or conservation ratings, the Secretary shall review and approve or disapprove such request not later than the expiration of the 6-month period beginning upon receipt of such request.

“(3) The Secretary shall periodically examine the method used to conduct inspections for compliance with the requirements under this section, analyze various other approaches for conducting such inspections, and review the costs and benefits of the current method compared with other methods.”; and

(2) in subsection (b), by striking “, other than a manufactured home.”.

**SEC. 614. ASSISTED HOUSING ENERGY LOAN PILOT PROGRAM.**

(a) AUTHORITY.—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary shall develop and implement a pilot program under this section to facilitate the financing of cost-effective capital improvements for covered assisted housing projects

to improve the energy efficiency and conservation of such projects.

(b) **LOANS.**—The pilot program under this section shall involve not less than three and not more than five lenders, and shall provide for a privately financed loan to be made for a covered assisted housing project, which shall—

(1) finance capital improvements for the project that meet such requirements as the Secretary shall establish, and may involve contracts with third parties to perform such capital improvements, including the design of such improvements by licensed professional architects or engineers;

(2) have a term to maturity of not more than 20 years, which shall be based upon the duration necessary to realize cost savings sufficient to repay the loan;

(3) be secured by a mortgage subordinate to the mortgage for the project that is insured under the National Housing Act; and

(4) provide for a reduction in the remaining principal obligation under the loan based on the actual resulting cost savings realized from the capital improvements financed with the loan.

(c) **UNDERWRITING STANDARDS.**—The Secretary shall establish underwriting requirements for loans made under the pilot program under this section, which shall—

(1) require the cost savings projected to be realized from the capital improvements financed with the loan, during the term of the loan, to exceed the costs of repaying the loan;

(2) allow the designer or contractor involved in designing capital improvements to be financed with a loan under the program to carry out such capital improvements; and

(3) include such energy, audit, property, financial, ownership, and approval requirements as the Secretary considers appropriate.

(d) **TREATMENT OF SAVINGS.**—The pilot program under this section shall provide that the project owner shall receive the full financial benefit from any reduction in the cost of utilities resulting from capital improvements financed with a loan made under the program.

(e) **COVERED ASSISTED HOUSING PROJECTS.**—For purposes of this section, the term “covered assisted housing project” means a housing project that—

(1) is financed by a loan or mortgage that is—

(A) insured by the Secretary under subsection (d)(3) or (d)(4) of section 221 of the National Housing Act (12 U.S.C. 1715l), and bears interest at a rate determined under the proviso of section 221(d)(5) of such Act; or

(B) insured or assisted under section 236 of the National Housing Act (12 U.S.C. 1715z–1);

(2) at the time a loan under this section is made, is provided project-based rental assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) for 50 percent or more of the dwelling units in the project; and

(3) is not a housing project owned or held by the Secretary, or subject to a mortgage held by the Secretary.

**SEC. 615. RESIDENTIAL ENERGY EFFICIENCY BLOCK GRANT PROGRAM.**

Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) is amended by adding at the end the following new section:

**“SEC. 123. RESIDENTIAL ENERGY EFFICIENCY BLOCK GRANT PROGRAM.**

“(a) **IN GENERAL.**—To the extent amounts are made available for grants under this section, the Secretary shall make grants under this section to States, metropolitan cities and urban counties, Indian tribes, and insular areas to carry out energy efficiency im-

provements in new and existing single-family and multifamily housing.

“(b) **ALLOCATIONS.**—

“(1) **IN GENERAL.**—Of the total amount made available for each fiscal year for grants under this section that remains after reserving amounts pursuant to paragraph (2), the Secretary shall allocate for insular areas, for metropolitan cities and urban counties, and for States, an amount that bears the same ratio to such total amount as the amount allocated for such fiscal year under section 106 for Indian tribes, for insular areas, for metropolitan cities and urban counties, and for States, respectively, bears to the total amount made available for such fiscal year for grants under section 106.

“(2) **SET ASIDE FOR INDIAN TRIBES.**—Of the total amount made available for each fiscal year for grants under this section, the Secretary shall allocate not less than one percent to Indian tribes.

“(c) **GRANT AMOUNTS.**—

“(1) **ENTITLEMENT COMMUNITIES.**—From the amounts allocated pursuant to subsection (b) for metropolitan cities and urban counties for each fiscal year, the Secretary shall make a grant for such fiscal year to each metropolitan city and urban county that complies with the requirement under subsection (d), in the amount that bears the same ratio such total amount so allocated as the amount of the grant for such fiscal year under section 106 for such metropolitan city or urban county bears to the aggregate amount of all grants for such fiscal year under section 106 for all metropolitan cities and urban counties.

“(2) **STATES.**—From the amounts allocated pursuant to subsection (b) for States for each fiscal year, the Secretary shall make a grant for such fiscal year to each State that complies with the requirement under subsection (d), in the amount that bears the same ratio such total amount so allocated as the amount of the grant for such fiscal year under section 106 for such State bears to the aggregate amount of all grants for such fiscal year under section 106 for all States. Grant amounts received by a State shall be used only for eligible activities under subsection (e) carried out in nonentitlement areas of the State.

“(3) **INDIAN TRIBES.**—From the amounts allocated pursuant to subsection (b) for Indian tribes, the Secretary shall make grants to Indian tribes that comply with the requirement under subsection (d) on the basis of a competition conducted pursuant to specific criteria, as the Secretary shall establish by regulation, for the selection of Indian tribes to receive such amount.

“(4) **INSULAR AREAS.**—From the amounts allocated pursuant to subsection (b) for insular areas, the Secretary shall make a grant to each insular area that complies with the requirement under subsection (d) on the basis of the ratio of the population of the insular area to the aggregate population of all insular areas. In determining the distribution of amounts to insular areas, the Secretary may also include other statistical criteria as data become available from the Bureau of Census of the Department of Labor, but only if such criteria are set forth by regulation issued after notice and an opportunity for comment.

“(d) **STATEMENT OF ACTIVITIES.**—

“(1) **REQUIREMENT.**—Before receipt the receipt in any fiscal year of a grant under subsection (c) by any grantee, the grantee shall have prepared a final statement of housing energy efficiency objectives and projected use of funds as the Secretary shall require and shall have provided the Secretary with such certifications regarding such objectives and use as the Secretary may require. In the case of metropolitan cities, urban counties,

units of general local government, and insular areas receiving grants, the statement of projected use of funds shall consist of proposed housing energy efficiency activities. In the case of States receiving grants, the statement of projected use of funds shall consist of the method by which the States will distribute funds to units of general local government.

“(2) **PUBLIC PARTICIPATION.**—The Secretary may establish requirements to ensure the public availability of information regarding projected use of grant amounts and public participation in determining such projected use.

“(e) **ELIGIBLE ACTIVITIES.**—

“(1) **REQUIREMENT.**—Amounts from a grant under this section may be used only to carry out activities for single-family or multifamily housing that are designed to improve the energy efficiency of the housing so that the housing complies with the energy efficiency standard under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008, including such activities to provide energy for such housing from renewable sources, such as wind, waves, solar, biomass, and geothermal sources.

“(2) **PREFERENCE FOR COMPLIANCE BEYOND MINIMUM REQUIREMENTS.**—In selecting activities to be funded with amounts from a grant under this section, a grantee shall give more preference to activities based on the extent to which the activities will result in compliance by the housing with the enhanced energy efficiency and conservation standards, and the green building standards, under section 604(b) of such Act.

“(f) **REPORTS.**—Each grantee of a grant under this section for a fiscal year shall submit to the Secretary, at a time determined by the Secretary, a performance and evaluation report concerning the use of grant amounts, which shall contain an assessment by the grantee of the relationship of such use to the objectives identified in the grantees statement under subsection (d).

“(g) **APPLICABILITY OF CDBG PROVISIONS.**—Sections 109, 110, and 111 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309, 5310, 5311) shall apply to assistance received under this section to the same extent and in the same manner that such sections apply to assistance received under title I of such Act.

“(h) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated for grants under this section \$2,500,000,000 for fiscal year 2009 and such sums as may be necessary for each fiscal year thereafter.”

**SEC. 616. INCLUDING SUSTAINABLE DEVELOPMENT IN COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES.**

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by striking “and” at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting “; and”;

(3) and by inserting after paragraph (20) the following:

“(21) describe the jurisdiction’s strategies to encourage sustainable development for affordable housing, including single-family and multifamily housing, as measured by—

“(A) greater energy efficiency and use of renewable energy sources, including any strategies regarding compliance with the energy efficiency requirements under section 604(a) of the Green Resources for Energy Efficient Neighborhoods Act of 2008 and with the enhanced energy efficiency and conservation standards, and the green building standards, under section 604(b) of such Act;

“(B) increased conservation, recycling, and reuse of resources;

“(C) more effective use of existing infrastructure;

“(D) use of building materials and methods that are healthier for residents of the housing, including use of building materials that are free of added known carcinogens that are classified as Group 1 Known Carcinogens by the International Agency for Research on Cancer; and

“(E) such other criteria as the Secretary determines, in consultation with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, are in accordance with the purposes of this paragraph.”

**SEC. 617. GRANT PROGRAM TO INCREASE SUSTAINABLE LOW-INCOME COMMUNITY DEVELOPMENT CAPACITY.**

(a) IN GENERAL.—The Secretary may make grants to nonprofit organizations to use for any of the following purposes:

(1) Training, educating, supporting, or advising an eligible community development organization or qualified youth service and conservation corps in improving energy efficiency, resource conservation and reuse, design strategies to maximize energy efficiency, installing or constructing renewable energy improvements (such as wind, wave, solar, biomass, and geothermal energy sources), and effective use of existing infrastructure in affordable housing and economic development activities in low-income communities, taking into consideration energy efficiency requirements under section 604(a) of this title and with the enhanced energy efficiency and conservation standards, and the green building standards, under section 604(b) of this title.

(2) Providing loans, grants, or predevelopment assistance to eligible community development organizations or qualified youth service and conservation corps to carry out energy efficiency improvements that comply with the energy efficiency requirements under section 604(a) of this title, resource conservation and reuse, and effective use of existing infrastructure in affordable housing and economic development activities in low-income communities. In providing assistance under this paragraph, the Secretary shall give more preference to activities based on the extent to which the activities will result in compliance with the enhanced energy efficiency and conservation standards, and the green building standards, under section 604(b) of this title.

(3) Such other purposes as the Secretary determines are in accordance with the purposes of this subsection.

(b) APPLICATION REQUIREMENT.—To be eligible for a grant under this section, a nonprofit organization shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) AWARD OF CONTRACTS.—Contracts for architectural or engineering services funded with amounts from grants made under this section shall be awarded in accordance with chapter 11 of title 40, United States Code (relating to selection of architects and engineers).

(d) MATCHING REQUIREMENT.—A grant made under this section may not exceed the amount that the nonprofit organization receiving the grant certifies, to the Secretary, will be provided (in cash or in kind) from non-governmental sources to carry out the purposes for which the grant is made.

(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) The term “nonprofit organization” has the meaning given such term in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704).

(2) The term “eligible community development organization” means—

(A) a unit of general local government (as defined in section 104 of the Cranston-Gon-

zalez National Affordable Housing Act (42 U.S.C. 12704));

(B) a community housing development organization (as defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704));

(C) an Indian tribe or tribally designated housing entity (as such terms are defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)); or

(D) a public housing agency, as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)).

(3) The term “low-income community” means a census tract in which 50 percent or more of the households have an income which is less than 80 percent of the greater of—

(A) the median gross income for such year for the area in which such census tract is located; or

(B) the median gross income for such year for the State in which such census tract is located.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of fiscal years 2008 through 2012.

**SEC. 618. UTILIZATION OF ENERGY PERFORMANCE CONTRACTS IN HOPE VI.**

Section 24(d) of the United States Housing Act of 1937 (42 U.S.C. 1437v(d)) is amended by adding at the end the following new paragraph:

“(3) ENERGY PERFORMANCE CONTRACTS.—

“(A) IN GENERAL.—The Secretary shall provide that a public housing agency shall receive the full financial benefit, as determined by the Secretary, from any reduction in the cost of utilities resulting from any contract with a third party to undertake energy conservation improvements in connection with a revitalization plan under this section.

“(B) THIRD PARTY CONTRACTS.—Contracts described in subparagraph (A) may include contracts for equipment conversions to less costly utility sources, projects with resident-paid utilities, and adjustments to frozen base year consumption, including systems repaired to meet applicable building and safety codes and adjustments for occupancy rates increased by rehabilitation.

“(C) TERM OF CONTRACT.—The total term of a contract described in subparagraph (A) shall not exceed 20 years to allow longer payback periods for retrofits, including windows, heating system replacements, wall insulation, site-based generation, advanced energy savings technologies, including renewable energy generation, and other such retrofits.”

**SEC. 619. HOPE VI GREEN DEVELOPMENTS REQUIREMENT.**

(a) MANDATORY COMPONENT.—Section 24(e) of the United States Housing Act of 1937 (42 U.S.C. 1437v(e)) is amended by adding at the end the following new paragraph:

“(4) GREEN DEVELOPMENTS REQUIREMENT.—

“(A) REQUIREMENT.—The Secretary may not make a grant under this section to an applicant unless the proposed revitalization plan of the applicant to be carried out with such grant amounts meets the following requirements:

“(i) GREEN COMMUNITIES CRITERIA CHECKLIST.—All residential construction under the proposed plan complies with the national Green Communities criteria checklist for residential construction that provides criteria for the design, development, and operation of affordable housing, as such checklist is in effect for purposes of this paragraph pursuant to subparagraph (D) at the date of the application for the grant, or any sub-

stantially equivalent standard or standards as determined by the Secretary, as follows:

“(I) The proposed plan shall comply with all items of the national Green Communities criteria checklist for residential construction that are identified as mandatory.

“(II) The proposed plan shall comply with such other nonmandatory items of such national Green Communities criteria checklist so as to result in a cumulative number of points attributable to such nonmandatory items under such checklist of not less than—

“(aa) 25 points, in the case of any proposed plan (or portion thereof) consisting of new construction; and

“(bb) 20 points, in the case of any proposed plan (or portion thereof) consisting of rehabilitation.

“(ii) GREEN BUILDINGS CERTIFICATION SYSTEM.—All non-residential construction under the proposed plan complies with all minimum required levels of the green building rating systems and levels identified by the Secretary pursuant to subparagraph (C), as such systems and levels are in effect for purposes of this paragraph pursuant to subparagraph (D) at the time of the application for the grant.

“(B) VERIFICATION.—

“(i) IN GENERAL.—The Secretary shall verify, or provide for verification, sufficient to ensure that each proposed revitalization plan carried out with amounts from a grant under this section complies with the requirements under subparagraph (A) and that the revitalization plan is carried out in accordance with such requirements and plan.

“(ii) TIMING.—In providing for such verification, the Secretary shall establish procedures to ensure such compliance with respect to each grantee, and shall report to the Congress with respect to the compliance of each grantee, at each of the following times:

“(I) Not later than 6 months after execution of the grant agreement under this section for the grantee.

“(II) Upon completion of the revitalization plan of the grantee.

“(C) IDENTIFICATION OF GREEN BUILDINGS RATING SYSTEMS AND LEVELS.—

“(i) IN GENERAL.—For purposes of this paragraph, the Secretary shall identify rating systems and levels for green buildings that the Secretary determines to be the most likely to encourage a comprehensive and environmentally-sound approach to ratings and standards for green buildings. The identification of the ratings systems and levels shall be based on the criteria specified in clause (ii), shall identify the highest levels the Secretary determines are appropriate above the minimum levels required under the systems selected. Within 90 days of the completion of each study required by clause (iii), the Secretary shall review and update the rating systems and levels, or identify alternative systems and levels for purposes of this paragraph, taking into account the conclusions of such study.

“(ii) CRITERIA.—In identifying the green rating systems and levels, the Secretary shall take into consideration—

“(I) the ability and availability of assessors and auditors to independently verify the criteria and measurement of metrics at the scale necessary to implement this paragraph;

“(II) the ability of the applicable ratings system organizations to collect and reflect public comment;

“(III) the ability of the standards to be developed and revised through a consensus-based process;

“(IV) An evaluation of the robustness of the criteria for a high-performance green building, which shall give credit for promoting—

“(aa) efficient and sustainable use of water, energy, and other natural resources;

“(bb) use of renewable energy sources;

“(cc) improved indoor and outdoor environmental quality through enhanced indoor and outdoor air quality, thermal comfort, acoustics, outdoor noise pollution, day lighting, pollutant source control, sustainable landscaping, and use of building system controls and low- or no-emission materials, including preference for materials with no added carcinogens that are classified as Group 1 Known Carcinogens by the International Agency for Research on Cancer; and

“(dd) such other criteria as the Secretary determines to be appropriate; and

“(V) national recognition within the building industry.

“(iii) 5-YEAR EVALUATION.—At least once every five years, the Secretary shall conduct a study to evaluate and compare available third-party green building rating systems and levels, taking into account the criteria listed in clause (ii).

“(D) APPLICABILITY AND UPDATING OF STANDARDS.—

“(i) APPLICABILITY.—Except as provided in clause (ii) of this subparagraph, the national Green Communities criteria checklist and green building rating systems and levels referred to in clauses (i) and (ii) of subparagraph (A) that are in effect for purposes of this paragraph are such checklist systems, and levels as in existence upon the date of the enactment of the Green Resources for Energy Efficient Neighborhoods Act of 2008.

“(ii) UPDATING.—The Secretary may, by regulation, adopt and apply, for purposes of this paragraph, future amendments and supplements to, and editions of, the national Green Communities criteria checklist, any standard or standards that the Secretary has determined to be substantially equivalent to such checklist, and the green building ratings systems and levels identified by the Secretary pursuant to subparagraph (C).”

(b) SELECTION CRITERIA; GRADED COMPONENT.—Section 24(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437(e)(2)) is amended—

(1) in subparagraph (K), by striking “and” at the end;

(2) by redesignating subparagraph (L) as subparagraph (M); and

(3) by inserting after subparagraph (K) the following new subparagraph:

“(L) the extent to which the proposed revitalization plan—

“(i) in the case of residential construction, complies with the nonmandatory items of the national Green Communities criteria checklist identified in paragraph (4)(A)(i), or any substantially equivalent standard or standards as determined by the Secretary, but only to the extent such compliance exceeds the compliance necessary to accumulate the number of points required under such paragraph; and

“(ii) in the case of non-residential construction, complies with the components of the green building rating systems and levels identified by the Secretary pursuant to paragraph (4)(C), but only to the extent such compliance exceeds the minimum level required under such systems and levels; and”.

#### SEC. 620. CONSIDERATION OF ENERGY-EFFICIENCY IMPROVEMENTS IN APPRAISALS.

(a) APPRAISALS IN CONNECTION WITH FEDERALLY RELATED TRANSACTIONS.—

(1) REQUIREMENT.—Section 1110 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3339) is amended—

(A) in paragraph (1), by striking “and” at the end;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following new paragraph:

“(2) that such appraisals be performed in accordance with appraisal standards that require, in determining the value of a property, consideration of any renewable energy sources for, or energy-efficiency or energy-conserving improvements or features of, the property; and”.

(2) REVISION OF APPRAISAL STANDARDS.—Each Federal financial institutions regulatory agency shall, not later than 6 months after the date of the enactment of this Act, revise its standards for the performance of real estate appraisals in connection with federally related transactions under the jurisdiction of the agency to comply with the requirement under the amendments made by paragraph (1) of this subsection.

(b) APPRAISER CERTIFICATION AND LICENSING REQUIREMENTS.—Section 1116 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3345) is amended—

(1) in subsection (a), by inserting before the period at the end the following: “, and meets the requirements established pursuant to subsection (f) for qualifications regarding consideration of any renewable energy sources for, or energy-efficiency or energy-conserving improvements or features of, the property”;

(2) in subsection (c), by inserting before the period at the end the following: “, which shall include compliance with the requirements established pursuant to subsection (f) regarding consideration of any renewable energy sources for, or energy-efficiency or energy-conserving improvements or features of, the property”;

(3) in subsection (e), by striking “The” and inserting “Except as provided in subsection (f), the”; and

(4) by adding at the end the following new subsection:

“(f) REQUIREMENTS FOR APPRAISERS REGARDING ENERGY-EFFICIENCY FEATURES.—The Appraisal Subcommittee shall establish requirements for State certification of State certified real estate appraisers and for State licensing of State licensed appraisers, to ensure that appraisers consider and are qualified to consider, in determining the value of a property, any renewable energy sources for, or energy-efficiency or energy-conserving improvements or features of, the property.”.

(c) GUIDELINES FOR APPRAISING PHOTOVOLTAIC MEASURES AND TRAINING OF APPRAISERS.—Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended by adding at the end the following new subsection:

“(g) GUIDELINES FOR APPRAISING PHOTOVOLTAIC MEASURES AND TRAINING OF APPRAISERS.—The Appraisal Subcommittee shall, in consultation with the Secretary of Housing and Urban Development, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, establish specific guidelines for—

“(1) appraising off- and on-grid photovoltaic measures for compliance with the appraisal standards prescribed pursuant to section 1110(2);

“(2) requirements under section 1116(f) for certification of State certified real estate appraisers and for State licensing of State licensed appraisers, to ensure that appraisers consider, and are qualified to consider, such photovoltaic measures in determining the value of a property; and

“(3) training of appraisers to meet the requirements established pursuant to paragraph (2) of this subsection.”.

#### SEC. 621. ASSISTANCE FOR HOUSING ASSISTANCE COUNCIL.

The Secretary shall require the Housing Assistance Council—

(1) to encourage each organization that receives assistance from the Council with any amounts made available from the Secretary to provide that any structures and buildings developed or assisted under projects, programs, and activities funded with such amounts complies with the enhanced energy efficiency requirements under section 604(a) of this title; and

(2) to establish incentives to encourage each such organization to provide that any such structures and buildings comply with the energy efficiency and conservation standards, and the green building standards, under section 604(b) of this title.

#### SEC. 622. RURAL HOUSING AND ECONOMIC DEVELOPMENT ASSISTANCE.

The Secretary shall—

(1) encourage each tribe, agency, organization, corporation, and other entity that receives any assistance from the Office of Rural Housing and Economic Development of the Department of Housing and Urban Development to provide that any structures and buildings developed or assisted under activities funded with such amounts complies with the energy efficiency requirements under section 604(a) of this title; and

(2) establish incentives to encourage each such tribe, agency, organization, corporation, and other entity to provide that any such structures and buildings comply with the enhanced energy efficiency and conservation standards, and the green building standards, under section 604(b) of this title.

#### SEC. 623. LOANS TO STATES AND INDIAN TRIBES TO CARRY OUT RENEWABLE ENERGY SOURCES ACTIVITIES.

(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a fund, to be known as the “Alternative Energy Sources State Loan Fund”.

(b) EXPENDITURES.—

(1) IN GENERAL.—Subject to paragraph (2), on request by the Secretary, the Secretary of the Treasury shall transfer from the Fund to the Secretary such amounts as the Secretary determines are necessary to provide loans under subsection (c)(1).

(2) ADMINISTRATIVE EXPENSES.—Of the amounts in the Fund, not more than 5 percent shall be available for each fiscal year to pay the administrative expenses of the Department of Housing and Urban Development to carry out this section.

(c) LOANS TO STATES AND INDIAN TRIBES.—

(1) IN GENERAL.—The Secretary shall use amounts in the Fund to provide loans to States and Indian tribes to provide incentives to owners of single-family and multi-family housing, commercial properties, and public buildings to provide—

(A) renewable energy sources for such structures, such as wind, wave, solar, biomass, or geothermal energy sources, including incentives to companies and business to change their source of energy to such renewable energy sources and for changing the sources of energy for public buildings to such renewable energy sources;

(B) energy efficiency and energy conserving improvements and features for such structures; or

(C) infrastructure related to the delivery of electricity and hot water for structures lacking such amenities.

(2) ELIGIBILITY.—To be eligible to receive a loan under this subsection, a State or Indian tribe, directly or through an appropriate State or tribal agency, shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) **CRITERIA FOR APPROVAL.**—The Secretary may approve an application of a State or Indian tribe under paragraph (2) only if the Secretary determines that the State or tribe will use the funds from the loan under this subsection to carry out a program to provide incentives described in paragraph (1) that—

(A) requires that any such renewable energy sources, and energy efficiency and energy conserving improvements and features, developed pursuant to assistance under the program result in compliance of the structure so improved with the energy efficiency requirements under section 604(a) of this title; and

(B) includes such compliance and audit requirements as the Secretary determines are necessary to ensure that the program is operated in a sound and effective manner.

(4) **PREFERENCE.**—In making loans during each fiscal year, the Secretary shall give preference to States and Indian tribes that have not previously received a loan under this subsection.

(5) **MAXIMUM AMOUNT.**—The aggregate outstanding principal amount from loans under this subsection to any single State or Indian tribe may not exceed \$500,000,000.

(6) **LOAN TERMS.**—Each loan under this subsection shall have a term to maturity of not more than 10 years and shall bear interest at annual rate, determined by the Secretary, that shall not exceed interest rate charged by the Federal Reserve Bank of New York to commercial banks and other depository institutions for very short-term loans under the primary credit program, as most recently published in the Federal Reserve Statistical Release on selected interest rates (daily or weekly), and commonly referred to as the H.15 release, preceding the date of a determination for purposes of applying this paragraph.

(7) **LOAN REPAYMENT.**—The Secretary shall require full repayment of each loan made under this section.

(d) **INVESTMENT OF AMOUNTS.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall invest such amounts in the Fund that are not, in the judgment of the Secretary of the Treasury, required to meet needs for current withdrawals.

(2) **OBLIGATIONS OF UNITED STATES.**—Investments may be made only in interest-bearing obligations of the United States.

(e) **REPORTS.**—

(1) **REPORTS TO SECRETARY.**—For each year during the term of a loan made under subsection (c), the State or Indian tribe that received the loan shall submit to the Secretary a report describing the State or tribal alternative energy sources program for which the loan was made and the activities conducted under the program using the loan funds during that year.

(2) **REPORT TO CONGRESS.**—Not later than September 30 of each year that loans made under subsection (c) are outstanding, the Secretary shall submit a report to the Congress describing the total amount of such loans provided under subsection (c) to each eligible State and Indian tribe during the fiscal year ending on such date, and an evaluation on effectiveness of the Fund.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Fund \$5,000,000,000.

(g) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given such term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(2) **STATE.**—The term “State” means each of the several States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Is-

lands, Guam, the Virgin Islands, American Samoa, the Trust Territories of the Pacific, or any other possession of the United States.

#### **SEC. 624. GREEN BANKING CENTERS.**

(a) **INSURED DEPOSITORY INSTITUTIONS.**—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end the following new subsection:

“(x) ‘GREEN BANKING’ CENTERS.—

“(1) **IN GENERAL.**—The Federal banking agencies shall prescribe guidelines encouraging the establishment and maintenance of ‘green banking’ centers by insured depository institutions to provide any consumer who seeks information on obtaining a mortgage, home improvement loan, or home equity loan with additional information on—

“(A) obtaining a home energy rating or audit for the residence for which such mortgage or loan is sought;

“(B) obtaining financing for cost-effective energy-saving improvements to such property; and

“(C) obtaining beneficial terms for any mortgage or loan, or qualifying for a larger mortgage or loan, secured by a residence which meets or will meet energy-efficiency standards.

“(2) **INFORMATION AND REFERRALS.**—The information made available to consumers under paragraph (1) may include—

“(A) information on obtaining a home energy rating and contact information on qualified energy raters in the area of the residence;

“(B) information on the secondary market guidelines that permit lenders to provide more favorable terms by allowing lenders to increase the ratio on debt-to-income requirements or to use the projected utility savings as a compensating factor;

“(C) information including eligibility information about, and contact information for, any conservation or renewable energy programs, grants, or loans offered by the Secretary of Housing and Urban Development, including the Energy Efficient Mortgage Program;

“(D) information including eligibility information about, and contact information for, any conservation or renewable energy programs, grants, or loans offered for qualified military personal, reservists, and veterans by the Secretary of Veterans Affairs;

“(E) information about, and contact information for, the Office of Efficiency and Renewable Energy at the Department of Energy, including the weatherization assistance program;

“(F) information about, and contact information for, the Energy Star Program of the Environmental Protection Agency;

“(G) information from, and contact information for, the Federal Citizen Information Center of the General Services Administration on energy efficient mortgages and loans, home energy rating systems, and the availability of energy efficient mortgage information from a variety of Federal agencies; and

“(H) such other information as the agencies or the insured depository institution may determine to be appropriate or useful.”.

(b) **INSURED CREDIT UNIONS.**—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by adding at the end the following new subsection:

“(x) ‘GREEN BANKING’ CENTERS.—

“(1) **IN GENERAL.**—The Board shall prescribe guidelines encouraging the establishment and maintenance of ‘green banking’ centers by insured credit unions to provide any member who seeks information on obtaining a mortgage, home improvement loan, or home equity loan with additional information on—

“(A) obtaining a home energy rating or audit for the residence for which such mortgage or loan is sought;

“(B) obtaining financing for cost-effective energy-saving improvements to such property; and

“(C) obtaining beneficial terms for any mortgage or loan, or qualifying for a larger mortgage or loan, secured by a residence which meets or will meet energy-efficiency standards.

“(2) **INFORMATION AND REFERRALS.**—The information made available to members under paragraph (1) may include—

“(A) information on obtaining a home energy rating and contact information on qualified energy raters in the area of the residence;

“(B) information on the secondary market guidelines that permit lenders to provide more favorable terms by allowing lenders to increase the ratio on debt-to-income requirements or to use the projected utility savings as a compensating factor;

“(C) information including eligibility information about, and contact information for, any conservation or renewable energy programs, grants, or loans offered by the Secretary of Housing and Urban Development, including the Energy Efficient Mortgage Program;

“(D) information including eligibility information about, and contact information for, any conservation or renewable energy programs, grants, or loans offered for qualified military personal, reservists, and veterans by the Secretary of Veterans Affairs;

“(E) information about, and contact information for, the Office of Efficiency and Renewable Energy at the Department of Energy, including the weatherization assistance program;

“(F) information from, and contact information for, the Federal Citizen Information Center of the General Services Administration on energy efficient mortgages and loans, home energy rating systems, and the availability of energy efficient mortgage information from a variety of Federal agencies; and

“(G) such other information as the Board or the insured credit union may determine to be appropriate or useful.”.

#### **SEC. 625. PUBLIC HOUSING ENERGY COST REPORT.**

(a) **COLLECTION OF INFORMATION BY HUD.**—The Secretary of Housing and Urban Development shall obtain from each public housing agency, by such time as may be necessary to comply with the reporting requirement under subsection (b), information regarding the energy costs for public housing administered or operated by the agency. For each public housing agency, such information shall include the monthly energy costs associated with each separate building and development of the agency, for the most recently completed 12-month period for which such information is available, and such other information as the Secretary determines is appropriate in determining which public housing buildings and developments are most in need of repairs and improvements to reduce energy needs and costs and become more energy efficient.

(b) **REPORT.**—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report to the Congress setting forth the information collected pursuant to subsection (a).

### **TITLE VII—MISCELLANEOUS PROVISIONS**

#### **SEC. 701. ALTERNATIVE FUEL PUMPS.**

(a) **REQUIREMENT.**—Not later than January 1, 2018, each retail automotive fueling station owned by a major integrated oil company shall have at least 1 alternative fuel



pump (and necessary infrastructure and storage facilities) available to dispense for automotive purposes a fuel referred to in subparagraph (A), (B), (C), or (D) of subsection (c)(2).

(b) **PENALTY.**—A major integrated oil company that has failed to comply with subsection (a) as of January 1 of any calendar year beginning with 2018 shall be liable for a civil penalty in the amount of \$100,000 for each automotive fueling station owned by such company that is not in compliance. Any such penalty may be assessed and collected by the Secretary of Energy by order. The Secretary may bring an action in the appropriate United States District court to require the payment of civil penalties imposed under this subsection, and such court shall have jurisdiction to enforce any order of the Secretary under this subsection.

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

(1) The term “major integrated oil company” has the meaning given that term in section 167(h)(5)(B) of the Internal Revenue Code of 1986.

(2) The term “alternative fuel pump” means a fuel pump that dispenses as a fuel for automotive purposes—

(A) natural gas;

(B) any fuel at least 85 percent of the volume of which consists of ethanol;

(C) any mixture of biodiesel and diesel or renewable diesel (as defined in regulations under section 211(o) of the Clean Air Act), determined without regard to any use of kerosene and containing at least 20 percent biodiesel or renewable diesel; or

(D) hydrogen.

(d) **REGULATIONS.**—The Secretary of Energy shall promulgate such regulations as may be necessary to carry out this section.

#### **SEC. 702. NATIONAL ENERGY CENTER OF EXCELLENCE.**

(a) **ESTABLISHMENT.**—The Secretary of Energy shall award a grant on a competitive basis to one consortium of institutions of higher education (as such term is defined in section 102 of the Higher Education Act of 1965) for the establishment of a National Energy Center of Excellence to conduct research and education activities in geological and geothermal sciences, renewable energy and energy efficiency (including energy technology using clean coal, solar, wind, oil, natural gas, hydroelectric, biofuels, ethanol, and other energy alternatives), and energy conservation, including a special emphasis on environmentally safe energy.

(b) **CONSORTIUM.**—The consortium shall include at least two institutions of higher education, one of which must be eligible to receive assistance under part A or B of title III or title V of the Higher Education Act of 1965.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$25,000,000 for each of the fiscal years 2009 through 2013.

#### **SEC. 703. SENSE OF CONGRESS REGARDING RENEWABLE BIOMASS.**

It is the sense of Congress that—

(1) in order to fulfill the commitment of the United States to energy security and independence, the current definition of renewable biomass in the Renewable Fuel Standard (RFS) could be improved;

(2) in order to meet the United States' energy challenges in an environmentally responsible way, the RFS should be as inclusive as possible to better reflect the realities of our Nation's resources, to encourage investment, and to help us meet the congressional mandate for advanced biofuels;

(3) Congress recognizes that renewable fuels are important to our climate and energy security strategy, as well as the rural communities they support; and

(4) cellulosic biofuels can and should be produced from a highly diverse array of feedstocks, allowing every region of the country to be a potential producer of this fuel.

### **TITLE VIII—ENERGY TAX INCENTIVES**

#### **SEC. 800. SHORT TITLE, ETC.**

(a) **SHORT TITLE.**—This title may be cited as the “Energy Tax Incentives Act of 2008”.

(b) **REFERENCE.**—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

#### **Subtitle A—Energy Production Incentives PART 1—RENEWABLE ENERGY INCENTIVES**

##### **SEC. 801. RENEWABLE ENERGY CREDIT.**

(a) **EXTENSION OF CREDIT.**—

(1) **1-YEAR EXTENSION FOR WIND FACILITIES.**—Paragraph (1) of section 45(d) is amended by striking “January 1, 2009” and inserting “January 1, 2010”.

(2) **3-YEAR EXTENSION FOR CERTAIN OTHER FACILITIES.**—Each of the following provisions of section 45(d) is amended by striking “January 1, 2009” and inserting “January 1, 2012”:

(A) Clauses (i) and (ii) of paragraph (2)(A).

(B) Clauses (i)(I) and (ii) of paragraph (3)(A).

(C) Paragraph (4).

(D) Paragraph (5).

(E) Paragraph (6).

(F) Paragraph (7).

(G) Subparagraphs (A) and (B) of paragraph (9).

(b) **MODIFICATION OF CREDIT PHASEOUT.**—

(1) **REPEAL OF PHASEOUT.**—Subsection (b) of section 45 is amended—

(A) by striking paragraph (1), and

(B) by striking “the 8 cent amount in paragraph (1),” in paragraph (2) thereof.

(2) **LIMITATION BASED ON INVESTMENT IN FACILITY.**—Subsection (b) of section 45 is amended by inserting before paragraph (2) the following new paragraph:

“(1) **LIMITATION BASED ON INVESTMENT IN FACILITY.**—

“(A) **IN GENERAL.**—In the case of any qualified facility originally placed in service after December 31, 2009, the amount of the credit determined under subsection (a) for any taxable year with respect to electricity produced at such facility shall not exceed the product of—

“(i) the applicable percentage with respect to such facility, multiplied by

“(ii) the eligible basis of such facility.

“(B) **CARRYFORWARD OF UNUSED LIMITATION AND EXCESS CREDIT.**—

“(i) **UNUSED LIMITATION.**—If the limitation imposed under subparagraph (A) with respect to any facility for any taxable year exceeds the prelimitation credit for such facility for such taxable year, the limitation imposed under subparagraph (A) with respect to such facility for the succeeding taxable year shall be increased by the amount of such excess.

“(ii) **EXCESS CREDIT.**—If the prelimitation credit with respect to any facility for any taxable year exceeds the limitation imposed under subparagraph (A) with respect to such facility for such taxable year, the credit determined under subsection (a) with respect to such facility for the succeeding taxable year (determined before the application of subparagraph (A) for such succeeding taxable year) shall be increased by the amount of such excess. With respect to any facility, no amount may be carried forward under this clause to any taxable year beginning after the 10-year period described in subsection (a)(2)(A)(ii) with respect to such facility.

“(iii) **PRELIMITATION CREDIT.**—The term ‘prelimitation credit’ with respect to any fa-

cility for a taxable year means the credit determined under subsection (a) with respect to such facility for such taxable year, determined without regard to subparagraph (A) and after taking into account any increase for such taxable year under clause (ii).

“(C) **APPLICABLE PERCENTAGE.**—For purposes of this paragraph—

“(i) **IN GENERAL.**—The term ‘applicable percentage’ means, with respect to any facility, the appropriate percentage prescribed by the Secretary for the month in which such facility is originally placed in service.

“(ii) **METHOD OF PRESCRIBING APPLICABLE PERCENTAGE.**—The applicable percentage prescribed by the Secretary for any month under clause (i) shall be the percentage which yields over a 10-year period amounts of limitation under subparagraph (A) which have a present value equal to 35 percent of the eligible basis of the facility.

“(iii) **METHOD OF DISCOUNTING.**—The present value under clause (ii) shall be determined—

“(I) as of the last day of the 1st year of the 10-year period referred to in clause (ii),

“(II) by using a discount rate equal to the greater of 110 percent of the Federal long-term rate as in effect under section 1274(d) for the month preceding the month for which the applicable percentage is being prescribed, or 4.5 percent, and

“(III) by taking into account the limitation under subparagraph (A) for any year on the last day of such year.

“(D) **ELIGIBLE BASIS.**—For purposes of this paragraph—

“(i) **IN GENERAL.**—The term ‘eligible basis’ means, with respect to any facility, the sum of—

“(I) the basis of such facility determined as of the time that such facility is originally placed in service, and

“(II) the portion of the basis of any shared qualified property which is properly allocated to such facility under clause (ii).

“(ii) **RULES FOR ALLOCATION.**—For purposes of subclause (II) of clause (i), the basis of shared qualified property shall be allocated among all qualified facilities which are projected to be placed in service and which require utilization of such property in proportion to projected generation from such facilities.

“(iii) **SHARED QUALIFIED PROPERTY.**—For purposes of this paragraph, the term ‘shared qualified property’ means, with respect to any facility, any property described in section 168(e)(3)(B)(vi)—

“(I) which a qualified facility will require for utilization of such facility, and

“(II) which is not a qualified facility.

“(iv) **SPECIAL RULE RELATING TO GEOTHERMAL FACILITIES.**—In the case of any qualified facility using geothermal energy to produce electricity, the basis of such facility for purposes of this paragraph shall be determined as though intangible drilling and development costs described in section 263(c) were capitalized rather than expensed.

“(E) **SPECIAL RULE FOR FIRST AND LAST YEAR OF CREDIT PERIOD.**—In the case of any taxable year any portion of which is not within the 10-year period described in subsection (a)(2)(A)(ii) with respect to any facility, the amount of the limitation under subparagraph (A) with respect to such facility shall be reduced by an amount which bears the same ratio to the amount of such limitation (determined without regard to this subparagraph) as such portion of the taxable year which is not within such period bears to the entire taxable year.

“(F) **ELECTION TO TREAT ALL FACILITIES PLACED IN SERVICE IN A YEAR AS 1 FACILITY.**—At the election of the taxpayer, all qualified facilities which are part of the same project and which are originally placed in service

during the same calendar year shall be treated for purposes of this section as 1 facility which is originally placed in service at the mid-point of such year or the first day of the following calendar year.”.

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

(1) by striking “facility which burns” and inserting “facility (other than a facility described in paragraph (6)) which uses”, and

(2) by striking “COMBUSTION”.

(d) EXPANSION OF BIOMASS FACILITIES.—

(1) OPEN-LOOP BIOMASS FACILITIES.—Paragraph (3) of section 45(d) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

“(B) EXPANSION OF FACILITY.—Such term shall include a new unit placed in service after the date of the enactment of this subparagraph in connection with a facility described in subparagraph (A), but only to the extent of the increased amount of electricity produced at the facility by reason of such new unit.”.

(2) CLOSED-LOOP BIOMASS FACILITIES.—Paragraph (2) of section 45(d) is amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

“(B) EXPANSION OF FACILITY.—Such term shall include a new unit placed in service after the date of the enactment of this subparagraph in connection with a facility described in subparagraph (A)(i), but only to the extent of the increased amount of electricity produced at the facility by reason of such new unit.”.

(e) MODIFICATION OF RULES FOR HYDROPOWER PRODUCTION.—Subparagraph (C) of section 45(c)(8) is amended to read as follows:

“(C) NONHYDROELECTRIC DAM.—For purposes of subparagraph (A), a facility is described in this subparagraph if—

“(i) the hydroelectric project installed on the nonhydroelectric dam is licensed by the Federal Energy Regulatory Commission and meets all other applicable environmental, licensing, and regulatory requirements,

“(ii) the nonhydroelectric dam was placed in service before the date of the enactment of this paragraph and operated for flood control, navigation, or water supply purposes and did not produce hydroelectric power on the date of the enactment of this paragraph, and

“(iii) the hydroelectric project is operated so that the water surface elevation at any given location and time that would have occurred in the absence of the hydroelectric project is maintained, subject to any license requirements imposed under applicable law that change the water surface elevation for the purpose of improving environmental quality of the affected waterway.

The Secretary, in consultation with the Federal Energy Regulatory Commission, shall certify if a hydroelectric project licensed at a nonhydroelectric dam meets the criteria in clause (iii). Nothing in this section shall affect the standards under which the Federal Energy Regulatory Commission issues licenses for and regulates hydropower projects under part I of the Federal Power Act.”.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property originally placed in service after December 31, 2008.

(2) REPEAL OF CREDIT PHASEOUT.—The amendments made by subsection (b)(1) shall apply to taxable years ending after December 31, 2008.

(3) LIMITATION BASED ON INVESTMENT IN FACILITY.—The amendment made by subsection (b)(2) shall apply to property originally placed in service after December 31, 2009.

(4) TRASH FACILITY CLARIFICATION.—The amendments made by subsection (c) shall apply to electricity produced and sold after the date of the enactment of this Act.

(5) EXPANSION OF BIOMASS FACILITIES.—The amendments made by subsection (d) shall apply to property placed in service after the date of the enactment of this Act.

#### SEC. 802. PRODUCTION CREDIT FOR ELECTRICITY PRODUCED FROM MARINE RENEWABLES.

(a) IN GENERAL.—Paragraph (1) of section 45(c) is amended by striking “and” at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting “; and”, and by adding at the end the following new subparagraph:

“(I) marine and hydrokinetic renewable energy.”.

(b) MARINE RENEWABLES.—Subsection (c) of section 45 is amended by adding at the end the following new paragraph:

“(10) MARINE AND HYDROKINETIC RENEWABLE ENERGY.—

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

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

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

“(iii) free flowing water in an irrigation system, canal, or other man-made channel, including projects that utilize nonmechanical structures to accelerate the flow of water for electric power production purposes, or

“(iv) differentials in ocean temperature (ocean thermal energy conversion).

“(B) EXCEPTIONS.—Such term shall not include any energy which is derived from any source which utilizes a dam, diversionary structure (except as provided in subparagraph (A)(iii)), or impoundment for electric power production purposes.”.

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

“(11) MARINE AND HYDROKINETIC RENEWABLE ENERGY FACILITIES.—In the case of a facility producing electricity from marine and hydrokinetic renewable energy, the term ‘qualified facility’ means any facility owned by the taxpayer—

“(A) which has a nameplate capacity rating of at least 150 kilowatts, and

“(B) which is originally placed in service on or after the date of the enactment of this paragraph and before January 1, 2012.”.

(d) CREDIT RATE.—Subparagraph (A) of section 45(b)(4) is amended by striking “or (9)” and inserting “(9), or (11)”.

(e) COORDINATION WITH SMALL IRRIGATION POWER.—Paragraph (5) of section 45(d), as amended by section 801, is amended by striking “January 1, 2012” and inserting “the date of the enactment of paragraph (11)”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced and sold after the date of the enactment of this Act, in taxable years ending after such date.

#### SEC. 803. ENERGY CREDIT.

(a) EXTENSION OF CREDIT.—

(1) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) are each amended by striking “January 1, 2009” and inserting “January 1, 2017”.

(2) FUEL CELL PROPERTY.—Subparagraph (E) of section 48(c)(1) is amended by striking “December 31, 2008” and inserting “December 31, 2016”.

(3) MICROTURBINE PROPERTY.—Subparagraph (E) of section 48(c)(2) is amended by striking “December 31, 2008” and inserting “December 31, 2016”.

(b) ALLOWANCE OF ENERGY CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph

(B) of section 38(c)(4) is amended by striking “and” at the end of clause (iii), by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively, and by inserting after clause (iv) the following new clause:

“(v) the credit determined under section 46 to the extent that such credit is attributable to the energy credit determined under section 48, and”.

(c) ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.—

(1) IN GENERAL.—Section 48(a)(3)(A) (defining energy property) is amended by striking “or” at the end of clause (iii), by inserting “or” at the end of clause (iv), and by adding at the end the following new clause:

“(v) combined heat and power system property.”.

(2) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Section 48 is amended by adding at the end the following new subsection:

“(d) COMBINED HEAT AND POWER SYSTEM PROPERTY.—For purposes of subsection (a)(3)(A)(v)—

“(1) COMBINED HEAT AND POWER SYSTEM PROPERTY.—The term ‘combined heat and power system property’ means property comprising a system—

“(A) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

“(B) which produces—

“(i) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and

“(ii) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

“(C) the energy efficiency percentage of which exceeds 60 percent, and

“(D) which is placed in service before January 1, 2017.

“(2) LIMITATION.—

“(A) IN GENERAL.—In the case of combined heat and power system property with an electrical capacity in excess of the applicable capacity placed in service during the taxable year, the credit under subsection (a)(1) (determined without regard to this paragraph) for such year shall be equal to the amount which bears the same ratio to such credit as the applicable capacity bears to the capacity of such property.

“(B) APPLICABLE CAPACITY.—For purposes of subparagraph (A), the term ‘applicable capacity’ means 15 megawatts or a mechanical energy capacity of more than 20,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

“(C) MAXIMUM CAPACITY.—The term ‘combined heat and power system property’ shall not include any property comprising a system if such system has a capacity in excess of 50 megawatts or a mechanical energy capacity in excess of 67,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

“(3) SPECIAL RULES.—

“(A) ENERGY EFFICIENCY PERCENTAGE.—For purposes of this subsection, the energy efficiency percentage of a system is the fraction—

“(i) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and expected to be consumed in its normal application, and

“(ii) the denominator of which is the lower heating value of the fuel sources for the system.

“(B) DETERMINATIONS MADE ON BTU BASIS.—The energy efficiency percentage and the

percentages under paragraph (1)(B) shall be determined on a Btu basis.

“(C) INPUT AND OUTPUT PROPERTY NOT INCLUDED.—The term ‘combined heat and power system property’ does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

“(4) SYSTEMS USING BIOMASS.—If a system is designed to use biomass (within the meaning of paragraphs (2) and (3) of section 45(c) without regard to the last sentence of paragraph (3)(A)) for at least 90 percent of the energy source—

“(A) paragraph (1)(C) shall not apply, but

“(B) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this paragraph) as the energy efficiency percentage of such system bears to 60 percent.”.

(d) INCREASE OF CREDIT LIMITATION FOR FUEL CELL PROPERTY.—Subparagraph (B) of section 48(c)(1) is amended by striking “\$500” and inserting “\$1,500”.

(e) PUBLIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—

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

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(B) Paragraph (2) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by subsection (b) shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(3) COMBINED HEAT AND POWER AND FUEL CELL PROPERTY.—The amendments made by subsections (c) and (d) shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

(4) PUBLIC UTILITY PROPERTY.—The amendments made by subsection (e) shall apply to periods after February 13, 2008, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

#### SEC. 804. CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) EXTENSION.—Section 25D(g) is amended by striking “December 31, 2008” and inserting “December 31, 2016”.

(b) MAXIMUM CREDIT FOR SOLAR ELECTRIC PROPERTY.—

(1) IN GENERAL.—Section 25D(b)(1)(A) is amended by striking “\$2,000” and inserting “\$4,000”.

(2) CONFORMING AMENDMENT.—Section 25D(e)(4)(A)(i) is amended by striking “\$6,667” and inserting “\$13,333”.

(c) CREDIT FOR RESIDENTIAL WIND PROPERTY.—

(1) IN GENERAL.—Section 25D(a) is amended by striking “and” at the end of paragraph (2), by striking the period at the end of para-

graph (3) and inserting “, and”, and by adding at the end the following new paragraph:

“(4) 30 percent of the qualified small wind energy property expenditures made by the taxpayer during such year.”.

(2) LIMITATION.—Section 25D(b)(1) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by adding at the end the following new subparagraph:

“(D) \$500 with respect to each half kilowatt of capacity (not to exceed \$4,000) of wind turbines for which qualified small wind energy property expenditures are made.”.

(3) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURES.—

(A) IN GENERAL.—Section 25D(d) is amended by adding at the end the following new paragraph:

“(4) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURE.—The term ‘qualified small wind energy property expenditure’ means an expenditure for property which uses a wind turbine to generate electricity for use in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.”.

(B) NO DOUBLE BENEFIT.—Section 45(d)(1) is amended by adding at the end the following new sentence: “Such term shall not include any facility with respect to which any qualified small wind energy property expenditure (as defined in subsection (d)(4) of section 25D) is taken into account in determining the credit under such section.”.

(4) MAXIMUM EXPENDITURES IN CASE OF JOINT OCCUPANCY.—Section 25D(e)(4)(A) is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, and”, and by adding at the end the following new clause:

“(iv) \$1,667 in the case of each half kilowatt of capacity (not to exceed \$13,333) of wind turbines for which qualified small wind energy property expenditures are made.”.

(d) CREDIT FOR GEOTHERMAL HEAT PUMP SYSTEMS.—

(1) IN GENERAL.—Section 25D(a), as amended by subsection (c), is amended by striking “and” at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting “, and”, and by adding at the end the following new paragraph:

“(5) 30 percent of the qualified geothermal heat pump property expenditures made by the taxpayer during such year.”.

(2) LIMITATION.—Section 25D(b)(1), as amended by subsection (c), is amended by striking “and” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “, and”, and by adding at the end the following new subparagraph:

“(E) \$2,000 with respect to any qualified geothermal heat pump property expenditures.”.

(3) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURE.—Section 25D(d), as amended by subsection (c), is amended by adding at the end the following new paragraph:

“(5) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURE.—

“(A) IN GENERAL.—The term ‘qualified geothermal heat pump property expenditure’ means an expenditure for qualified geothermal heat pump property installed on or in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.

“(B) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY.—The term ‘qualified geothermal heat pump property’ means any equipment which—

“(i) uses the ground or ground water as a thermal energy source to heat the dwelling unit referred to in subparagraph (A) or as a

thermal energy sink to cool such dwelling unit, and

“(ii) meets the requirements of the Energy Star program which are in effect at the time that the expenditure for such equipment is made.”.

(4) MAXIMUM EXPENDITURES IN CASE OF JOINT OCCUPANCY.—Section 25D(e)(4)(A), as amended by subsection (c), is amended by striking “and” at the end of clause (iii), by striking the period at the end of clause (iv) and inserting “, and”, and by adding at the end the following new clause:

“(v) \$6,667 in the case of any qualified geothermal heat pump property expenditures.”.

(e) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 25D is amended to read as follows:

“(c) LIMITATION BASED ON AMOUNT OF TAX; CARRYFORWARD OF UNUSED CREDIT.—

“(1) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

“(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(B) the sum of the credits allowable under this subpart (other than this section) and section 27 for the taxable year.

“(2) CARRYFORWARD OF UNUSED CREDIT.—

“(A) RULE FOR YEARS IN WHICH ALL PERSONAL CREDITS ALLOWED AGAINST REGULAR AND ALTERNATIVE MINIMUM TAX.—In the case of a taxable year to which section 26(a)(2) applies, if the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a)(2) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

“(B) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.”.

(2) CONFORMING AMENDMENTS.—

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

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

(C) Section 25B(g)(2) is amended by striking “section 23” and inserting “sections 23 and 25D”.

(D) Section 26(a)(1) is amended by striking “and 25B” and inserting “25B, and 25D”.

(f) EFFECTIVE DATE.—

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

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

#### SEC. 805. SPECIAL RULE TO IMPLEMENT FERC AND STATE ELECTRIC RESTRUCTURING POLICY.

(a) EXTENSION FOR QUALIFIED ELECTRIC UTILITIES.—

(1) IN GENERAL.—Paragraph (3) of section 451(i) is amended by inserting “(before January 1, 2010, in the case of a qualified electric utility)” after “January 1, 2008”.

(2) QUALIFIED ELECTRIC UTILITY.—Subsection (i) of section 451 is amended by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively, and by inserting after paragraph (5) the following new paragraph:

“(6) QUALIFIED ELECTRIC UTILITY.—For purposes of this subsection, the term ‘qualified electric utility’ means a person that, as of the date of the qualifying electric transmission transaction, is vertically integrated, in that it is both—

“(A) a transmitting utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23))) with respect to the transmission facilities to which the election under this subsection applies, and

“(B) an electric utility (as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22))).”.

(b) EXTENSION OF PERIOD FOR TRANSFER OF OPERATIONAL CONTROL AUTHORIZED BY FERC.—Clause (ii) of section 451(i)(4)(B) is amended by striking “December 31, 2007” and inserting “the date which is 4 years after the close of the taxable year in which the transaction occurs”.

(c) PROPERTY LOCATED OUTSIDE THE UNITED STATES NOT TREATED AS EXEMPT UTILITY PROPERTY.—Paragraph (5) of section 451(i) is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—The term ‘exempt utility property’ shall not include any property which is located outside the United States.”.

(d) EFFECTIVE DATES.—

(1) EXTENSION.—The amendments made by subsection (a) shall apply to transactions after December 31, 2007.

(2) TRANSFERS OF OPERATIONAL CONTROL.—The amendment made by subsection (b) shall take effect as if included in section 909 of the American Jobs Creation Act of 2004.

(3) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—The amendment made by subsection (c) shall apply to transactions after the date of the enactment of this Act.

#### SEC. 806. NEW CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

##### “SEC. 54C. NEW CLEAN RENEWABLE ENERGY BONDS.

“(a) NEW CLEAN RENEWABLE ENERGY BOND.—For purposes of this subpart, the term ‘new clean renewable energy bond’ means any bond issued as part of an issue if—

“(1) 100 percent of the available project proceeds of such issue are to be used for capital expenditures incurred by public power providers or cooperative electric companies for one or more qualified renewable energy facilities,

“(2) the bond is issued by a qualified issuer, and

“(3) the issuer designates such bond for purposes of this section.

“(b) REDUCED CREDIT AMOUNT.—The annual credit determined under section 54A(b) with respect to any new clean renewable energy bond shall be 70 percent of the amount so determined without regard to this subsection.

“(c) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

“(1) IN GENERAL.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated under this subsection to such issuer.

“(2) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national new clean renewable energy bond limitation of

\$1,750,000,000 which shall be allocated by the Secretary as provided in paragraph (3), except that—

“(A) not more than 33½ percent thereof may be allocated to qualified projects of public power providers,

“(B) not more than 33½ percent thereof may be allocated to qualified projects of governmental bodies, and

“(C) not more than 33½ percent thereof may be allocated to qualified projects of cooperative electric companies.

“(3) METHOD OF ALLOCATION.—

“(A) ALLOCATION AMONG PUBLIC POWER PROVIDERS.—After the Secretary determines the qualified projects of public power providers which are appropriate for receiving an allocation of the national new clean renewable energy bond limitation, the Secretary shall, to the maximum extent practicable, make allocations among such projects in such manner that the amount allocated to each such project bears the same ratio to the cost of such project as the limitation under paragraph (2)(A) bears to the cost of all such projects.

“(B) ALLOCATION AMONG GOVERNMENTAL BODIES AND COOPERATIVE ELECTRIC COMPANIES.—The Secretary shall make allocations of the amount of the national new clean renewable energy bond limitation described in paragraphs (2)(B) and (2)(C) among qualified projects of governmental bodies and cooperative electric companies, respectively, in such manner as the Secretary determines appropriate.

“(d) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED RENEWABLE ENERGY FACILITY.—The term ‘qualified renewable energy facility’ means a qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and to any placed in service date) owned by a public power provider, a governmental body, or a cooperative electric company.

“(2) PUBLIC POWER PROVIDER.—The term ‘public power provider’ means a State utility with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of the enactment of this paragraph).

“(3) GOVERNMENTAL BODY.—The term ‘governmental body’ means any State or Indian tribal government, or any political subdivision thereof.

“(4) COOPERATIVE ELECTRIC COMPANY.—The term ‘cooperative electric company’ means a mutual or cooperative electric company described in section 501(c)(12) or section 1381(a)(2)(C).

“(5) CLEAN RENEWABLE ENERGY BOND LENDER.—The term ‘clean renewable energy bond lender’ means a lender which is a cooperative which is owned by, or has outstanding loans to, 100 or more cooperative electric companies and is in existence on February 1, 2002, and shall include any affiliated entity which is controlled by such lender.

“(6) QUALIFIED ISSUER.—The term ‘qualified issuer’ means a public power provider, a cooperative electric company, a governmental body, a clean renewable energy bond lender, or a not-for-profit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d) is amended to read as follows:

“(1) QUALIFIED TAX CREDIT BOND.—The term ‘qualified tax credit bond’ means—

“(A) a qualified forestry conservation bond, or

“(B) a new clean renewable energy bond, which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).”.

(2) Subparagraph (C) of section 54A(d)(2) is amended to read as follows:

“(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term ‘qualified purpose’ means—

“(i) in the case of a qualified forestry conservation bond, a purpose specified in section 54B(e), and

“(ii) in the case of a new clean renewable energy bond, a purpose specified in section 54C(a)(1).”.

(3) The table of sections for subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 54C. New clean renewable energy bonds.”.

(c) APPLICATION OF CERTAIN LABOR STANDARDS ON PROJECTS FINANCED UNDER TAX CREDIT BONDS.—Subchapter IV of chapter 31 of title 40, United States Code, shall apply to projects financed with the proceeds of any tax credit bond (as defined in section 54A of the Internal Revenue Code of 1986) other than qualified forestry conservation bonds (as defined in section 54B of such Code).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

### PART 2—CARBON MITIGATION PROVISIONS

#### SEC. 811. EXPANSION AND MODIFICATION OF ADVANCED COAL PROJECT INVESTMENT CREDIT.

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48A(a) is amended by striking “and” at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “, and”, and by adding at the end the following new paragraph:

“(3) 30 percent of the qualified investment for such taxable year in the case of projects described in clause (iii) of subsection (d)(3)(B).”.

(b) EXPANSION OF AGGREGATE CREDITS.—Section 48A(d)(3)(A) is amended by striking “\$1,300,000,000” and inserting “\$2,250,000,000”.

(c) AUTHORIZATION OF ADDITIONAL PROJECTS.—

(1) IN GENERAL.—Subparagraph (B) of section 48A(d)(3) is amended to read as follows:

“(B) PARTICULAR PROJECTS.—Of the dollar amount in subparagraph (A), the Secretary is authorized to certify—

“(i) \$800,000,000 for integrated gasification combined cycle projects the application for which is submitted during the period described in paragraph (2)(A)(i),

“(ii) \$500,000,000 for projects which use other advanced coal-based generation technologies the application for which is submitted during the period described in paragraph (2)(A)(i), and

“(iii) \$950,000,000 for advanced coal-based generation technology projects the application for which is submitted during the period described in paragraph (2)(A)(ii).”.

(2) APPLICATION PERIOD FOR ADDITIONAL PROJECTS.—Subparagraph (A) of section 48A(d)(2) is amended to read as follows:

“(A) APPLICATION PERIOD.—Each applicant for certification under this paragraph shall submit an application meeting the requirements of subparagraph (B). An applicant may only submit an application—

“(i) for an allocation from the dollar amount specified in clause (i) or (ii) of paragraph (3)(B) during the 3-year period beginning on the date the Secretary establishes the program under paragraph (1), and

“(ii) for an allocation from the dollar amount specified in paragraph (3)(B)(iii) during the 3-year period beginning at the earlier of the termination of the period described in clause (i) or the date prescribed by the Secretary.”.

(3) CAPTURE AND SEQUESTRATION OF CARBON DIOXIDE EMISSIONS REQUIREMENT.—

(A) IN GENERAL.—Section 48A(e)(1) is amended by striking “and” at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting “; and”, and by adding at the end the following new subparagraph:

“(G) in the case of any project the application for which is submitted during the period described in subsection (d)(2)(A)(ii), the project includes equipment which separates and sequesters at least 65 percent (70 percent in the case of an application for reallocated credits under subsection (d)(4)) of such project’s total carbon dioxide emissions.”.

(B) HIGHEST PRIORITY FOR PROJECTS WHICH SEQUESTER CARBON DIOXIDE EMISSIONS.—Section 48A(e)(3) is amended by striking “and” at the end of subparagraph (A)(iii), by striking the period at the end of subparagraph (B)(iii) and inserting “, and”, and by adding at the end the following new subparagraph:

“(C) give highest priority to projects with the greatest separation and sequestration percentage of total carbon dioxide emissions.”.

(C) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—Section 48A is amended by adding at the end the following new subsection:

“(i) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—The Secretary shall provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any project which fails to attain or maintain the separation and sequestration requirements of subsection (e)(1)(G).”.

(4) ADDITIONAL PRIORITY FOR RESEARCH PARTNERSHIPS.—Section 48A(e)(3)(B), as amended by paragraph (3)(B), is amended—

(A) by striking “and” at the end of clause (ii),

(B) by redesignating clause (iii) as clause (iv), and

(C) by inserting after clause (ii) the following new clause:

“(iii) applicant participants who have a research partnership with an eligible educational institution (as defined in section 529(e)(5)), and”.

(5) CLERICAL AMENDMENT.—Section 48A(e)(3) is amended by striking “INTEGRATED GASIFICATION COMBINED CYCLE” in the heading and inserting “CERTAIN”.

(d) DISCLOSURE OF ALLOCATIONS.—Section 48A(d) is amended by adding at the end the following new paragraph:

“(5) DISCLOSURE OF ALLOCATIONS.—The Secretary shall, upon making a certification under this subsection or section 48B(d), publicly disclose the identity of the applicant and the amount of the credit certified with respect to such applicant.”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to credits the application for which is submitted during the period described in section 48A(d)(2)(A)(ii) of the Internal Revenue Code of 1986 and which are allocated or reallocated after the date of the enactment of this Act.

(2) DISCLOSURE OF ALLOCATIONS.—The amendment made by subsection (d) shall apply to certifications made after the date of the enactment of this Act.

(3) CLERICAL AMENDMENT.—The amendment made by subsection (c)(5) shall take effect as if included in the amendment made by section 1307(b) of the Energy Tax Incentives Act of 2005.

#### SEC. 812. EXPANSION AND MODIFICATION OF COAL GASIFICATION INVESTMENT CREDIT.

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48B(a) is amended by inserting “(30 percent in the case of credits allocated under subsection (d)(1)(B))” after “20 percent”.

(b) EXPANSION OF AGGREGATE CREDITS.—Section 48B(d)(1) is amended by striking

“shall not exceed \$350,000,000” and all that follows and inserting “shall not exceed—

“(A) \$350,000,000, plus

“(B) \$150,000,000 for qualifying gasification projects that include equipment which separates and sequesters at least 75 percent of such project’s total carbon dioxide emissions.”.

(c) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—Section 48B is amended by adding at the end the following new subsection:

“(f) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—The Secretary shall provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any project which fails to attain or maintain the separation and sequestration requirements for such project under subsection (d)(1).”.

(d) SELECTION PRIORITIES.—Section 48B(d) is amended by adding at the end the following new paragraph:

“(4) SELECTION PRIORITIES.—In determining which qualifying gasification projects to certify under this section, the Secretary shall—

“(A) give highest priority to projects with the greatest separation and sequestration percentage of total carbon dioxide emissions, and

“(B) give high priority to applicant participants who have a research partnership with an eligible educational institution (as defined in section 529(e)(5)).”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to credits described in section 48B(d)(1)(B) of the Internal Revenue Code of 1986 which are allocated or reallocated after the date of the enactment of this Act.

#### SEC. 813. TEMPORARY INCREASE IN COAL EXCISE TAX.

Paragraph (2) of section 4121(e) is amended—

(1) by striking “January 1, 2014” in subparagraph (A) and inserting “December 31, 2018”, and

(2) by striking “January 1 after 1981” in subparagraph (B) and inserting “December 31 after 2007”.

#### SEC. 814. SPECIAL RULES FOR REFUND OF THE COAL EXCISE TAX TO CERTAIN COAL PRODUCERS AND EXPORTERS.

(a) REFUND.—

(1) COAL PRODUCERS.—

(A) IN GENERAL.—Notwithstanding subsections (a)(1) and (c) of section 6416 and section 6511 of the Internal Revenue Code of 1986, if—

(i) a coal producer establishes that such coal producer, or a party related to such coal producer, exported coal produced by such coal producer to a foreign country or shipped coal produced by such coal producer to a possession of the United States, or caused such coal to be exported or shipped, the export or shipment of which was other than through an exporter who meets the requirements of paragraph (2),

(ii) such coal producer filed an excise tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and

(iii) such coal producer files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act,

then the Secretary shall pay to such coal producer an amount equal to the tax paid under section 4121 of such Code on such coal exported or shipped by the coal producer or a party related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped.

(B) SPECIAL RULES FOR CERTAIN TAXPAYERS.—For purposes of this section—

(i) IN GENERAL.—If a coal producer or a party related to a coal producer has received

a judgment described in clause (iii), such coal producer shall be deemed to have established the export of coal to a foreign country or shipment of coal to a possession of the United States under subparagraph (A)(i).

(ii) AMOUNT OF PAYMENT.—If a taxpayer described in clause (i) is entitled to a payment under subparagraph (A), the amount of such payment shall be reduced by any amount paid pursuant to the judgment described in clause (iii).

(iii) JUDGMENT DESCRIBED.—A judgment is described in this subparagraph if such judgment—

(I) is made by a court of competent jurisdiction within the United States,

(II) relates to the constitutionality of any tax paid on exported coal under section 4121 of the Internal Revenue Code of 1986, and

(III) is in favor of the coal producer or the party related to the coal producer.

(2) EXPORTERS.—Notwithstanding subsections (a)(1) and (c) of section 6416 and section 6511 of the Internal Revenue Code of 1986, and a judgment described in paragraph (1)(B)(iii) of this subsection, if—

(A) an exporter establishes that such exporter exported coal to a foreign country or shipped coal to a possession of the United States, or caused such coal to be so exported or shipped,

(B) such exporter filed a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and

(C) such exporter files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act,

then the Secretary shall pay to such exporter an amount equal to \$0.825 per ton of such coal exported by the exporter or caused to be exported or shipped, or caused to be exported or shipped, by the exporter.

(b) LIMITATIONS.—Subsection (a) shall not apply with respect to exported coal if a settlement with the Federal Government has been made with and accepted by, the coal producer, a party related to such coal producer, or the exporter, of such coal, as of the date that the claim is filed under this section with respect to such exported coal. For purposes of this subsection, the term “settlement with the Federal Government” shall not include any settlement or stipulation entered into as of the date of the enactment of this Act, the terms of which contemplate a judgment concerning which any party has reserved the right to file an appeal, or has filed an appeal.

(c) SUBSEQUENT REFUND PROHIBITED.—No refund shall be made under this section to the extent that a credit or refund of such tax on such exported or shipped coal has been paid to any person.

(d) DEFINITIONS.—For purposes of this section—

(1) COAL PRODUCER.—The term “coal producer” means the person in whom is vested ownership of the coal immediately after the coal is severed from the ground, without regard to the existence of any contractual arrangement for the sale or other disposition of the coal or the payment of any royalties between the producer and third parties. The term includes any person who extracts coal from coal waste refuse piles or from the silt waste product which results from the wet washing (or similar processing) of coal.

(2) EXPORTER.—The term “exporter” means a person, other than a coal producer, who does not have a contract, fee arrangement, or any other agreement with a producer or seller of such coal to export or ship such coal to a third party on behalf of the producer or seller of such coal and—

(A) is indicated in the shipper’s export declaration or other documentation as the exporter of record, or

(B) actually exported such coal to a foreign country or shipped such coal to a possession of the United States, or caused such coal to be so exported or shipped.

(3) RELATED PARTY.—The term “a party related to such coal producer” means a person who—

(A) is related to such coal producer through any degree of common management, stock ownership, or voting control.

(B) is related (within the meaning of section 144(a)(3) of the Internal Revenue Code of 1986) to such coal producer, or

(C) has a contract, fee arrangement, or any other agreement with such coal producer to sell such coal to a third party on behalf of such coal producer.

(4) SECRETARY.—The term “Secretary” means the Secretary of Treasury or the Secretary’s designee.

(e) TIMING OF REFUND.—With respect to any claim for refund filed pursuant to this section, the Secretary shall determine whether the requirements of this section are met not later than 180 days after such claim is filed. If the Secretary determines that the requirements of this section are met, the claim for refund shall be paid not later than 180 days after the Secretary makes such determination.

(f) INTEREST.—Any refund paid pursuant to this section shall be paid by the Secretary with interest from the date of overpayment determined by using the overpayment rate and method under section 6621 of the Internal Revenue Code of 1986.

(g) DENIAL OF DOUBLE BENEFIT.—The payment under subsection (a) with respect to any coal shall not exceed—

(1) in the case of a payment to a coal producer, the amount of tax paid under section 4121 of the Internal Revenue Code of 1986 with respect to such coal by such coal producer or a party related to such coal producer, and

(2) in the case of a payment to an exporter, an amount equal to \$0.825 per ton with respect to such coal exported by the exporter or caused to be exported by the exporter.

(h) APPLICATION OF SECTION.—This section applies only to claims on coal exported or shipped on or after October 1, 1990, through the date of the enactment of this Act.

(i) STANDING NOT CONFERRED.—

(1) EXPORTERS.—With respect to exporters, this section shall not confer standing upon an exporter to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by a coal producer of any Federal or State tax, fee, or royalty paid by the coal producer.

(2) COAL PRODUCERS.—With respect to coal producers, this section shall not confer standing upon a coal producer to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by an exporter of any Federal or State tax, fee, or royalty paid by the producer and alleged to have been passed on to an exporter.

#### SEC. 815. CARBON AUDIT OF THE TAX CODE.

(a) STUDY.—The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to estimate the magnitude of those effects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of study authorized under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to

carry out this section \$1,500,000 for the period of fiscal years 2009 and 2010.

#### Subtitle B—Transportation and Domestic Fuel Security Provisions

#### SEC. 821. INCLUSION OF CELLULOSIC BIOFUEL IN BONUS DEPRECIATION FOR BIOMASS ETHANOL PLANT PROPERTY.

(a) IN GENERAL.—Paragraph (3) of section 168(1) is amended to read as follows:

“(3) CELLULOSIC BIOFUEL.—The term ‘cellulosic biofuel’ means any liquid fuel which is produced from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.”.

(b) CONFORMING AMENDMENTS.—Subsection (1) of section 168 is amended—

(1) by striking “cellulosic biomass ethanol” each place it appears and inserting “cellulosic biofuel”;

(2) by striking “CELLULOSIC BIOMASS ETHANOL” in the heading of such subsection and inserting “CELLULOSIC BIOFUEL”, and

(3) by striking “CELLULOSIC BIOMASS ETHANOL” in the heading of paragraph (2) thereof and inserting “CELLULOSIC BIOFUEL”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

#### SEC. 822. CREDITS FOR BIODIESEL AND RENEWABLE DIESEL.

(a) IN GENERAL.—Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) are each amended by striking “December 31, 2008” and inserting “December 31, 2009”.

(b) INCREASE IN RATE OF CREDIT.—

(1) INCOME TAX CREDIT.—Paragraphs (1)(A) and (2)(A) of section 40A(b) are each amended by striking “50 cents” and inserting “\$1.00”.

(2) EXCISE TAX CREDIT.—Paragraph (2) of section 6426(c) is amended to read as follows:

“(2) APPLICABLE AMOUNT.—For purposes of this subsection, the applicable amount is \$1.00.”.

(3) CONFORMING AMENDMENTS.—

(A) Subsection (b) of section 40A is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(B) Paragraph (2) of section 40A(f) is amended to read as follows:

“(2) EXCEPTION.—Subsection (b)(4) shall not apply with respect to renewable diesel.”.

(C) Paragraphs (2) and (3) of section 40A(e) are each amended by striking “subsection (b)(5)(C)” and inserting “subsection (b)(4)(C)”.

(D) Clause (ii) of section 40A(d)(3)(C) is amended by striking “subsection (b)(5)(B)” and inserting “subsection (b)(4)(B)”.

(e) UNIFORM TREATMENT OF DIESEL PRODUCED FROM BIOMASS.—Paragraph (3) of section 40A(f) is amended—

(1) by striking “diesel fuel” and inserting “liquid fuel”;

(2) by striking “using a thermal depolymerization process”, and

(3) by striking “or D396” in subparagraph (B) and inserting “, D396, or other equivalent standard approved by the Secretary”.

(d) COPRODUCTION OF RENEWABLE DIESEL WITH PETROLEUM FEEDSTOCK.—

(1) IN GENERAL.—Paragraph (3) of section 40A(f) (defining renewable diesel) is amended by adding at the end the following flush sentence:

“Such term does not include any fuel derived from coprocessing biomass with a feedstock which is not biomass. For purposes of this paragraph, the term ‘biomass’ has the meaning given such term by section 45K(c)(3).”.

(2) CONFORMING AMENDMENT.—Paragraph (3) of section 40A(f) is amended by striking “(as defined in section 45K(c)(3))”.

(e) ELIGIBILITY OF CERTAIN AVIATION FUEL.—Subsection (f) of section 40A (relating

to renewable diesel) is amended by adding at the end the following new paragraph:

“(4) CERTAIN AVIATION FUEL.—

“(A) IN GENERAL.—Except as provided in the last three sentences of paragraph (3), the term ‘renewable diesel’ shall include fuel derived from biomass which meets the requirements of a Department of Defense specification for military jet fuel or an American Society of Testing and Materials specification for aviation turbine fuel.

“(B) APPLICATION OF MIXTURE CREDITS.—In the case of fuel which is treated as renewable diesel solely by reason of subparagraph (A), subsection (b)(1) and section 6426(c) shall be applied with respect to such fuel by treating kerosene as though it were diesel fuel.”.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2008.

(2) COPRODUCTION OF RENEWABLE DIESEL WITH PETROLEUM FEEDSTOCK.—The amendments made by subsection (c) shall apply to fuel produced, and sold or used, after February 13, 2008.

#### SEC. 823. CLARIFICATION THAT CREDITS FOR FUEL ARE DESIGNED TO PROVIDE AN INCENTIVE FOR UNITED STATES PRODUCTION.

(a) ALCOHOL FUELS CREDIT.—Subsection (d) of section 40 is amended by adding at the end the following new paragraph:

“(7) LIMITATION TO ALCOHOL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any alcohol which is produced outside the United States for use as a fuel outside the United States. For purposes of this paragraph, the term ‘United States’ includes any possession of the United States.”.

(b) BIODIESEL FUELS CREDIT.—Subsection (d) of section 40A is amended by adding at the end the following new paragraph:

“(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States for use as a fuel outside the United States. For purposes of this paragraph, the term ‘United States’ includes any possession of the United States.”.

(c) EXCISE TAX CREDIT.—

(1) IN GENERAL.—Section 6426 is amended by adding at the end the following new subsection:

“(i) LIMITATION TO FUELS WITH CONNECTION TO THE UNITED STATES.—

“(1) ALCOHOL.—No credit shall be determined under this section with respect to any alcohol which is produced outside the United States for use as a fuel outside the United States.

“(2) BIODIESEL AND ALTERNATIVE FUELS.—No credit shall be determined under this section with respect to any biodiesel or alternative fuel which is produced outside the United States for use as a fuel outside the United States.

For purposes of this subsection, the term ‘United States’ includes any possession of the United States.”.

(2) CONFORMING AMENDMENT.—Subsection (e) of section 6427 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) LIMITATION TO FUELS WITH CONNECTION TO THE UNITED STATES.—No amount shall be payable under paragraph (1) or (2) with respect to any mixture or alternative fuel if credit is not allowed with respect to such mixture or alternative fuel by reason of section 6426(i).”.

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



for credit or payment made on or after May 15, 2008.

**SEC. 824. CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.**

(a) IN GENERAL.—Section 30 is amended to read as follows:

**“SEC. 30. NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.**

“(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credit amounts determined under subsection (b) with respect to each new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year.

“(b) PER VEHICLE DOLLAR LIMITATION.—“(1) IN GENERAL.—The amount determined under this subsection with respect to any new qualified plug-in electric drive motor vehicle is the sum of the amounts determined under paragraphs (2) and (3) with respect to such vehicle.

“(2) BASE AMOUNT.—The amount determined under this paragraph is \$3,000.

“(3) BATTERY CAPACITY.—In the case of a vehicle which draws propulsion energy from a battery with not less than 5 kilowatt hours of capacity, the amount determined under this paragraph is \$200, plus \$200 for each kilowatt hour of capacity in excess of 5 kilowatt hours. The amount determined under this paragraph shall not exceed \$2,000.

“(c) APPLICATION WITH OTHER CREDITS.—

“(1) BUSINESS CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—So much of the credit which would be allowed under subsection (a) for any taxable year (determined without regard to this subsection) that is attributable to property of a character subject to an allowance for depreciation shall be treated as a credit listed in section 38(b) for such taxable year (and not allowed under subsection (a)).

“(2) PERSONAL CREDIT.—

“(A) IN GENERAL.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.

“(B) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall not exceed the excess of—

“(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(ii) the sum of the credits allowable under subpart A (other than this section and sections 23 and 25D) and section 27 for the taxable year.

“(d) NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE.—For purposes of this section—

“(1) IN GENERAL.—The term ‘new qualified plug-in electric drive motor vehicle’ means a motor vehicle—

“(A) the original use of which commences with the taxpayer,

“(B) which is acquired for use or lease by the taxpayer and not for resale,

“(C) which is made by a manufacturer,

“(D) which has a gross vehicle weight rating of less than 14,000 pounds,

“(E) which has received a certificate of conformity under the Clean Air Act and meets or exceeds the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and

“(F) which is propelled to a significant extent by an electric motor which draws electricity from a battery which—

“(i) has a capacity of not less than 4 kilowatt hours, and

“(ii) is capable of being recharged from an external source of electricity.

“(2) EXCEPTION.—The term ‘new qualified plug-in electric drive motor vehicle’ shall not include any vehicle which is not a passenger automobile or light truck if such vehicle has a gross vehicle weight rating of less than 8,500 pounds.

“(3) MOTOR VEHICLE.—The term ‘motor vehicle’ means any vehicle which is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails) and which has at least 4 wheels.

“(4) OTHER TERMS.—The terms ‘passenger automobile’, ‘light truck’, and ‘manufacturer’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

“(5) BATTERY CAPACITY.—The term ‘capacity’ means, with respect to any battery, the quantity of electricity which the battery is capable of storing, expressed in kilowatt hours, as measured from a 100 percent state of charge to a 0 percent state of charge.

“(e) LIMITATION ON NUMBER OF NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES ELIGIBLE FOR CREDIT.—

“(1) IN GENERAL.—In the case of a new qualified plug-in electric drive motor vehicle sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (a) shall be allowed.

“(2) PHASEOUT PERIOD.—For purposes of this subsection, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the number of new qualified plug-in electric drive motor vehicles manufactured by the manufacturer of the vehicle referred to in paragraph (1) sold for use in the United States after the date of the enactment of this section, is at least 60,000.

“(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is—

“(A) 50 percent for the first 2 calendar quarters of the phaseout period,

“(B) 25 percent for the 3d and 4th calendar quarters of the phaseout period, and

“(C) 0 percent for each calendar quarter thereafter.

“(4) CONTROLLED GROUPS.—Rules similar to the rules of section 30B(f)(4) shall apply for purposes of this subsection.

“(f) SPECIAL RULES.—

“(1) BASIS REDUCTION.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (c)).

“(2) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

“(3) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

“(4) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

“(5) PROPERTY USED BY TAX-EXEMPT ENTITY; INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Rules similar to the rules of paragraphs (6) and (10) of section

30B(h) shall apply for purposes of this section.”.

(b) COORDINATION WITH ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(d)(3) is amended by adding at the end the following new subparagraph:

“(D) EXCLUSION OF PLUG-IN VEHICLES.—Any vehicle with respect to which a credit is allowable under section 30 (determined without regard to subsection (c) thereof) shall not be taken into account under this section.”.

(c) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking “plus” at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting “, plus”, and by adding at the end the following new paragraph:

“(34) the portion of the new qualified plug-in electric drive motor vehicle credit to which section 30(c)(1) applies.”.

(d) CONFORMING AMENDMENTS.—

(1)(A) Section 24(b)(3)(B), as amended by section 804, is amended by striking “and 25D” and inserting “25D, and 30”.

(B) Section 25(e)(1)(C)(ii) is amended by inserting “30,” after “25D,”.

(C) Section 25B(g)(2), as amended by section 804, is amended by striking “and 25D” and inserting “, 25D, and 30”.

(D) Section 26(a)(1), as amended by section 804, is amended by striking “and 25D” and inserting “25D, and 30”.

(E) Section 1400C(d)(2) is amended by striking “and 25D” and inserting “25D, and 30”.

(2) Section 30B(h)(1) is amended by striking “section 30(c)(2)” and inserting “section 30(d)(3)”.

(3)(A) Section 53(d)(1)(B) is amended by striking clause (iii) and redesignating clause (iv) as clause (iii).

(B) Subclause (II) of section 53(d)(1)(B)(iii), as so redesignated, is amended by striking “increased in the manner provided in clause (iii)”.

(4) Section 55(c)(3) is amended by striking “30(b)(3)”.

(5) Section 1016(a)(25) is amended by striking “section 30(d)(1)” and inserting “section 30(f)(1)”.

(6) Section 6501(m) is amended by striking “section 30(d)(4)” and inserting “section 30(f)(4)”.

(7) The item in the table of sections for subpart B of part IV of subchapter A of chapter 1 is amended to read as follows:

“Sec. 30. New qualified plug-in electric drive motor vehicles.”.

(e) TREATMENT OF ALTERNATIVE MOTOR VEHICLE CREDIT AS A PERSONAL CREDIT.—

(1) IN GENERAL.—Paragraph (2) of section 30B(g) is amended to read as follows:

“(2) PERSONAL CREDIT.—The credit allowed under subsection (a) for any taxable year (after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.”.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (A) of section 30C(d)(2) is amended by striking “sections 27, 30, and 30B” and inserting “section 27”.

(B) Paragraph (3) of section 55(c) is amended by striking “30B(g)(2)”.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2008.

(2) TREATMENT OF ALTERNATIVE MOTOR VEHICLE CREDIT AS PERSONAL CREDIT.—The amendments made by subsection (e) shall apply to taxable years beginning after December 31, 2007.

(g) APPLICATION OF EGTRRA SUNSET.—The amendment made by subsection (d)(1)(A) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of

2001 in the same manner as the provision of such Act to which such amendment relates.

**SEC. 825. EXCLUSION FROM HEAVY TRUCK TAX FOR IDLING REDUCTION UNITS AND ADVANCED INSULATION.**

(a) IN GENERAL.—Section 4053 is amended by adding at the end the following new paragraphs:

“(9) IDLING REDUCTION DEVICE.—Any device or system of devices which—

“(A) is designed to provide to a vehicle those services (such as heat, air conditioning, or electricity) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using one or more devices affixed to a tractor, and

“(B) is determined by the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Energy and the Secretary of Transportation, to reduce idling of such vehicle at a motor vehicle rest stop or other location where such vehicles are temporarily parked or remain stationary.

“(10) ADVANCED INSULATION.—Any insulation that has an R value of not less than R35 per inch.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or installations after the date of the enactment of this Act.

**SEC. 826. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.**

(a) IN GENERAL.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as section 1400K and by adding at the end the following new section:

**“SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.**

“(a) IN GENERAL.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

“(b) QUALIFYING PROJECT EXPENDITURE AMOUNT.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualifying project expenditure amount’ means, with respect to any calendar year, the sum of—

“(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

“(B) any such expenditures—

“(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

“(ii) not previously allocated under paragraph (3).

“(2) QUALIFYING PROJECT.—The term ‘qualifying project’ means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

“(3) GENERAL ALLOCATION.—

“(A) IN GENERAL.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying

project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

“(B) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed \$2,000,000,000.

“(C) ANNUAL LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

“(i) \$115,000,000 (\$425,000,000 in the case of the last 2 years in the credit period), plus

“(ii) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

“(D) UNALLOCATED AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

“(i) the lesser of—

“(I) such excess, or

“(II) the qualifying project expenditure amount for such calendar year, reduced by

“(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

“(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

“(c) CARRYOVER OF UNUSED ALLOCATIONS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year.

“(2) REALLOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

“(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) CREDIT PERIOD.—The term ‘credit period’ means the 12-year period beginning on January 1, 2009.

“(2) NEW YORK LIBERTY ZONE GOVERNMENTAL UNIT.—The term ‘New York Liberty Zone governmental unit’ means—

“(A) the State of New York,

“(B) the City of New York, New York, and

“(C) any agency or instrumentality of such State or City.

“(3) TREATMENT OF FUNDS.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

“(4) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHHOLDING TAXES.—For purposes of this title, a New York Liberty Zone

governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

“(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

“(1) which certifies—

“(A) the qualifying project expenditure amount for the calendar year, and

“(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

“(2) includes such other information as the Secretary may require to carry out this section.

“(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.”.

(b) TERMINATION OF SPECIAL ALLOWANCE AND EXPENSING.—Subparagraph (A) of section 1400K(b)(2), as redesignated by subsection (a), is amended by striking the parenthetical therein and inserting “(in the case of nonresidential real property and residential rental property, the date of the enactment of the Energy Tax Incentives Act of 2008 or, if acquired pursuant to a binding contract in effect on such enactment date, December 31, 2009)”.

(c) CONFORMING AMENDMENTS.—

(1) Section 38(c)(3)(B) is amended by striking “section 1400L(a)” and inserting “section 1400K(a)”.

(2) Section 168(k)(2)(D)(ii) is amended by striking “section 1400L(c)(2)” and inserting “section 1400K(c)(2)”.

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by redesignating the item relating to section 1400L as an item relating to section 1400K and by inserting after such item the following new item:

“Sec. 1400L. New York Liberty Zone tax credits.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 827. TRANSPORTATION FRINGE BENEFIT TO BICYCLE COMMUTERS.**

(a) IN GENERAL.—Paragraph (1) of section 132(f) is amended by adding at the end the following:

“(D) Any qualified bicycle commuting reimbursement.”.

(b) LIMITATION ON EXCLUSION.—Paragraph (2) of section 132(f) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following new subparagraph:

“(C) the applicable annual limitation in the case of any qualified bicycle commuting reimbursement.”.

(c) DEFINITIONS.—Paragraph (5) of section 132(f) is amended by adding at the end the following:

“(F) DEFINITIONS RELATED TO BICYCLE COMMUTING REIMBURSEMENT.—

“(i) QUALIFIED BICYCLE COMMUTING REIMBURSEMENT.—The term ‘qualified bicycle commuting reimbursement’ means, with respect to any calendar year, any employer reimbursement during the 15-month period beginning with the first day of such calendar year for reasonable expenses incurred by the employee during such calendar year for the purchase of a bicycle and bicycle improvements, repair, and storage, if such bicycle is

regularly used for travel between the employee's residence and place of employment.

“(ii) **APPLICABLE ANNUAL LIMITATION.**—The term ‘applicable annual limitation’ means, with respect to any employee for any calendar year, the product of \$20 multiplied by the number of qualified bicycle commuting months during such year.

“(iii) **QUALIFIED BICYCLE COMMUTING MONTH.**—The term ‘qualified bicycle commuting month’ means, with respect to any employee, any month during which such employee—

“(I) regularly uses the bicycle for a substantial portion of the travel between the employee's residence and place of employment, and

“(II) does not receive any benefit described in subparagraph (A), (B), or (C) of paragraph (1).”

(d) **CONSTRUCTIVE RECEIPT OF BENEFIT.**—Paragraph (4) of section 132(f) is amended by inserting “(other than a qualified bicycle commuting reimbursement)” after “qualified transportation fringe”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

**SEC. 828. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.**

(a) **INCREASE IN CREDIT AMOUNT.**—Section 30C is amended—

(1) by striking “30 percent” in subsection (a) and inserting “50 percent”,

(2) by striking “\$30,000” in subsection (b)(1) and inserting “\$50,000”, and

(3) by striking “\$1,000” in subsection (b)(2) and inserting “\$2,000”.

(b) **EXTENSION OF CREDIT.**—Subsection (g) of section 30C is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3) and inserting before paragraph (2) (as so redesignated) the following new paragraph:

“(1) in the case of property relating to natural gas, compressed natural gas, or liquefied natural gas, and which is not of a character subject to an allowance for depreciation, December 31, 2017,” and

(2) by striking “December 31, 2009” in paragraph (3) (as so redesignated) and inserting “December 31, 2010”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

**SEC. 829. ENERGY SECURITY BONDS.**

(a) **IN GENERAL.**—Subpart I of part IV of subchapter A of chapter 1, as amended by sections 806 and 841, is amended by adding at the end the following new section:

**“SEC. 54E. ENERGY SECURITY BONDS.**

“(a) **ENERGY SECURITY BOND.**—For purposes of this subchapter, the term ‘energy security bond’ means any bond issued as part of an issue if—

“(1) 100 percent of the available project proceeds of such issue are to be used for qualified purposes,

“(2) the bond is issued by a qualified issuer,

“(3) the issuer designates such bond for purposes of this section, and

“(4) repayments of principal and applicable interest on financing provided by the issue are used not later than the close of the 3-month period beginning on the date the repayment (or complete repayment) is received—

“(A) to redeem bonds which are part of the issue, or

“(B) for any qualified purpose.

For purposes of paragraph (4), the term ‘applicable interest’ means so much of the interest on any loan as exceeds the amount payable at a 1 percent rate.

“(b) **QUALIFIED PURPOSE.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘qualified purpose’ means the making of grants and low-interest loans for the purpose of placing in service natural gas refueling property at retail motor fuel stations located in the United States.

“(2) **LIMITATION ON LOANS.**—Such term shall not include—

“(A) any loan of more than \$200,000 for property located at any one retail motor fuel station, and

“(B) any loan for more than 50 percent of the cost of such property and its installation.

“(3) **NATURAL GAS REFUELING PROPERTY.**—The term ‘natural gas refueling property’ means qualified clean-fuel refueling property (as defined in section 179A(d)) which is described in section 179A(d)(3) with respect to natural gas fuel.

“(4) **LOW-INTEREST LOAN.**—The term ‘low-interest loan’ means any loan the rate of interest on which does not exceed the applicable Federal rate in effect under section 1288(b)(1) determined as of the issuance of the loan.

“(c) **LIMITATION ON AMOUNT OF BONDS DESIGNATED.**—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated to such issuer under subsection (e).

“(d) **NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.**—There is a national energy security bond limitation of \$1,750,000,000.

“(e) **ALLOCATION.**—

“(1) **IN GENERAL.**—The Secretary shall make allocations of the amount of the national energy security bond limitation under subsection (d) among qualified issuers in such manner as the Secretary determines appropriate.

“(2) **RESERVATION FOR PROPERTY IN METROPOLITAN AREA.**—50 percent of the national energy security bond limitation under subsection (d) may be allocated only for loans to provide natural gas refueling property located in metropolitan statistical areas (within the meaning of section 143(k)(2)(B)).

“(3) **PERCENTAGE OF STATIONS RECEIVING LOANS.**—In making allocations under paragraph (1), the Secretary shall attempt to ensure that at least 10 percent of the retail motor fuel stations in the United States received loans from the proceeds of energy security bonds.

“(f) **QUALIFIED ISSUER.**—For purposes of this section, the term ‘qualified issuer’ means any State or any political subdivision or instrumentality thereof.

“(g) **TERMINATION.**—This section shall not apply with respect to any bond issued after December 31, 2017.”

(b) **COORDINATION WITH REFUELING PROPERTY CREDIT.**—Subsection (e) of section 30C of such Code is amended by adding at the end the following new paragraph:

“(6) **COORDINATION WITH ENERGY SECURITY BONDS.**—The cost otherwise taken into account under this section with respect to any property shall be reduced by the portion of such cost which is financed by any loan provided from the proceeds of any energy security bond (as defined in section 54E).”

(c) **CONFORMING AMENDMENTS.**—

(1) Paragraph (1) of section 54A(d), as amended by sections 806 and 841, is amended by striking “or” at the end of subparagraph (B), by adding “or” at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

“(D) an energy security bond.”

(2) Subparagraph (C) of section 54A(d)(2), as amended by sections 806 and 841, is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “and”, and by adding at the end the following new clause:

“(iv) in the case of an energy security bond, a purpose specified in section 54E(b).”

(3) The table of sections for subpart I of part IV of subchapter A of chapter 1, as amended by sections 806 and 841, is amended by adding at the end the following new item:

“Sec. 54E. Energy security bonds.”

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to obligations issued after December 31, 2008.

**SEC. 830. CERTAIN INCOME AND GAINS RELATING TO ALCOHOL FUELS AND MIXTURES, BIODIESEL FUELS AND MIXTURES, AND ALTERNATIVE FUELS AND MIXTURES TREATED AS QUALIFYING INCOME FOR PUBLICLY TRADED PARTNERSHIPS.**

(a) **IN GENERAL.**—Subparagraph (E) of section 7704(d)(1) is amended by inserting “, or the transportation or storage of any fuel described in subsection (b), (c), (d), or (e) of section 6426, or any alcohol fuel defined in section 6426(b)(4)(A) or any biodiesel fuel as defined in section 40A(d)(1)” after “timber”).

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**Subtitle C—Energy Conservation and Efficiency Provisions**

**SEC. 841. QUALIFIED ENERGY CONSERVATION BONDS.**

(a) **IN GENERAL.**—Subpart I of part IV of subchapter A of chapter 1, as amended by section 806, is amended by adding at the end the following new section:

**“SEC. 54D. QUALIFIED ENERGY CONSERVATION BONDS.**

“(a) **QUALIFIED ENERGY CONSERVATION BOND.**—For purposes of this subchapter, the term ‘qualified energy conservation bond’ means any bond issued as part of an issue if—

“(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified conservation purposes,

“(2) the bond is issued by a State or local government, and

“(3) the issuer designates such bond for purposes of this section.

“(b) **REDUCED CREDIT AMOUNT.**—The annual credit determined under section 54A(b) with respect to any qualified energy conservation bond shall be 70 percent of the amount so determined without regard to this subsection.

“(c) **LIMITATION ON AMOUNT OF BONDS DESIGNATED.**—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated to such issuer under subsection (e).

“(d) **NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.**—There is a national qualified energy conservation bond limitation of \$2,625,000,000.

“(e) **ALLOCATIONS.**—

“(1) **IN GENERAL.**—The limitation applicable under subsection (d) shall be allocated by the Secretary among the States in proportion to the population of the States.

“(2) **ALLOCATIONS TO LARGEST LOCAL GOVERNMENTS.**—

“(A) **IN GENERAL.**—In the case of any State in which there is a large local government, each such local government shall be allocated a portion of such State's allocation which bears the same ratio to the State's allocation (determined without regard to this subparagraph) as the population of such large local government bears to the population of such State.

“(B) **ALLOCATION OF UNUSED LIMITATION TO STATE.**—The amount allocated under this subsection to a large local government may be reallocated by such local government to the State in which such local government is located.

“(C) LARGE LOCAL GOVERNMENT.—For purposes of this section, the term ‘large local government’ means any municipality or county if such municipality or county has a population of 100,000 or more.

“(3) ALLOCATION TO ISSUERS; RESTRICTION ON PRIVATE ACTIVITY BONDS.—Any allocation under this subsection to a State or large local government shall be allocated by such State or large local government to issuers within the State in a manner that results in not less than 70 percent of the allocation to such State or large local government being used to designate bonds which are not private activity bonds.

“(f) QUALIFIED CONSERVATION PURPOSE.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified conservation purpose’ means any of the following:

“(A) Capital expenditures incurred for purposes of—

“(i) reducing energy consumption in publicly-owned buildings by at least 20 percent,

“(ii) implementing green community programs,

“(iii) rural development involving the production of electricity from renewable energy resources, or

“(iv) any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

“(B) Expenditures with respect to research facilities, and research grants, to support research in—

“(i) development of cellulosic ethanol or other nonfossil fuels,

“(ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,

“(iii) increasing the efficiency of existing technologies for producing nonfossil fuels,

“(iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or

“(v) technologies to reduce energy use in buildings.

“(C) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

“(D) Demonstration projects designed to promote the commercialization of—

“(i) green building technology,

“(ii) conversion of agricultural waste for use in the production of fuel or otherwise,

“(iii) advanced battery manufacturing technologies,

“(iv) technologies to reduce peak use of electricity, or

“(v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

“(E) Public education campaigns to promote energy efficiency.

“(2) SPECIAL RULES FOR PRIVATE ACTIVITY BONDS.—For purposes of this section, in the case of any private activity bond, the term ‘qualified conservation purposes’ shall not include any expenditure which is not a capital expenditure.

“(g) POPULATION.—

“(1) IN GENERAL.—The population of any State or local government shall be determined for purposes of this section as provided in section 146(j) for the calendar year which includes the date of the enactment of this section.

“(2) SPECIAL RULE FOR COUNTIES.—In determining the population of any county for purposes of this section, any population of such county which is taken into account in determining the population of any municipality which is a large local government shall not be taken into account in determining the population of such county.

“(h) APPLICATION TO INDIAN TRIBAL GOVERNMENTS.—An Indian tribal government shall be treated for purposes of this section in the same manner as a large local government, except that—

“(1) an Indian tribal government shall be treated for purposes of subsection (e) as located within a State to the extent of so much of the population of such government as resides within such State, and

“(2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which section 103(a) applies.”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d), as amended by section 806, is amended by striking “or” at the end of subparagraph (A), by adding “or” at the end of subparagraph (B), and by inserting after subparagraph (B) the following new subparagraph:

“(C) a qualified energy conservation bond.”.

(2) Subparagraph (C) of section 54A(d)(2), as amended by section 806, is amended by striking “and” at the end of clause (i), by striking the period at the end of clause (ii) and inserting “and”, and by adding at the end the following new clause:

“(iii) in the case of a qualified energy conservation bond, a purpose specified in section 54D(a)(1).”.

(3) The table of sections for subpart I of part IV of subchapter A of chapter 1, as amended by section 806, is amended by adding at the end the following new item:

“Sec. 54D. Qualified energy conservation bonds.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

**SEC. 842. CREDIT FOR NONBUSINESS ENERGY PROPERTY.**

(a) EXTENSION OF CREDIT.—Section 25C(g) is amended by striking “December 31, 2007” and inserting “December 31, 2008”.

(b) QUALIFIED BIOMASS FUEL PROPERTY.—

(1) IN GENERAL.—Section 25C(d)(3) is amended—

(A) by striking “and” at the end of subparagraph (D),

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

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

“(F) a stove which uses the burning of biomass fuel to heat a dwelling unit located in the United States and used as a residence by the taxpayer, or to heat water for use in such a dwelling unit, and which has a thermal efficiency rating of at least 75 percent.”.

(2) BIOMASS FUEL.—Section 25C(d) is amended by adding at the end the following new paragraph:

“(6) BIOMASS FUEL.—The term ‘biomass fuel’ means any plant-derived fuel available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues (including wood pellets), plants (including aquatic plants), grasses, residues, and fibers.”.

(c) COORDINATION WITH CREDIT FOR QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURES.—

(1) IN GENERAL.—Paragraph (3) of section 25C(d), as amended by subsection (b), is amended by striking subparagraph (C) and by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively.

(2) CONFORMING AMENDMENT.—Subparagraph (C) of section 25C(d)(2) is amended to read as follows:

“(C) REQUIREMENTS AND STANDARDS FOR AIR CONDITIONERS AND HEAT PUMPS.—The standards and requirements prescribed by the Secretary under subparagraph (B) with respect to the energy efficiency ratio (EER) for central air conditioners and electric heat pumps—

“(i) shall require measurements to be based on published data which is tested by manufacturers at 95 degrees Fahrenheit, and

“(ii) may be based on the certified data of the Air Conditioning and Refrigeration Institute that are prepared in partnership with the Consortium for Energy Efficiency.”.

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

**SEC. 843. ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.**

Subsection (h) of section 179D is amended by striking “December 31, 2008” and inserting “December 31, 2013”.

**SEC. 844. MODIFICATIONS OF ENERGY EFFICIENT APPLIANCE CREDIT FOR APPLIANCES PRODUCED AFTER 2007.**

(a) IN GENERAL.—Subsection (b) of section 45M is amended to read as follows:

“(b) APPLICABLE AMOUNT.—For purposes of subsection (a)—

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

“(A) \$45 in the case of a dishwasher which is manufactured in calendar year 2008 or 2009 and which uses no more than 324 kilowatt hours per year and 5.8 gallons per cycle, and

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

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

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

“(B) \$125 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 or 2009 which meets or exceeds a 1.8 modified energy factor and does not exceed a 7.5 water consumption factor,

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

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

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

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

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

“(C) \$100 in the case of a refrigerator which is manufactured in calendar year 2008, 2009, or 2010, and consumes at least 25 percent but not more than 29.9 percent less kilowatt hours per year than the 2001 energy conservation standards, and

“(D) \$200 in the case of a refrigerator manufactured in calendar year 2008, 2009, or 2010 and which consumes at least 30 percent less

energy than the 2001 energy conservation standards.”.

(b) ELIGIBLE PRODUCTION.—

(1) SIMILAR TREATMENT FOR ALL APPLIANCES.—Subsection (c) of section 45M is amended—

(A) by striking paragraph (2),

(B) by striking “(1) IN GENERAL” and all that follows through “the eligible” and inserting “The eligible”.

(C) by moving the text of such subsection in line with the subsection heading, and

(D) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and by moving such paragraphs 2 ems to the left.

(2) MODIFICATION OF BASE PERIOD.—Paragraph (2) of section 45M(c), as amended by paragraph (1), is amended by striking “3-calendar year” and inserting “2-calendar year”.

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

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

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

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

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

(d) AGGREGATE CREDIT AMOUNT ALLOWED.—

(1) INCREASE IN LIMIT.—Paragraph (1) of section 45M(e) is amended to read as follows:

“(1) AGGREGATE CREDIT AMOUNT ALLOWED.—The aggregate amount of credit allowed under subsection (a) with respect to a taxpayer for any taxable year shall not exceed \$75,000,000 reduced by the amount of the credit allowed under subsection (a) to the taxpayer (or any predecessor) for all prior taxable years beginning after December 31, 2007.”.

(2) EXCEPTION FOR CERTAIN REFRIGERATOR AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended to read as follows:

“(2) AMOUNT ALLOWED FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Refrigerators described in subsection (b)(3)(D) and clothes washers described in subsection (b)(2)(D) shall not be taken into account under paragraph (1).”.

(e) QUALIFIED ENERGY EFFICIENT APPLIANCES.—

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

“(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term ‘qualified energy efficient appliance’ means—

“(A) any dishwasher described in subsection (b)(1),

“(B) any clothes washer described in subsection (b)(2), and

“(C) any refrigerator described in subsection (b)(3).”.

(2) CLOTHES WASHER.—Section 45M(f)(3) is amended by inserting “commercial” before “residential” the second place it appears.

(3) TOP-LOADING CLOTHES WASHER.—Subsection (f) of section 45M is amended by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively, and by inserting after paragraph (3) the following new paragraph:

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

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

“(6) MODIFIED ENERGY FACTOR.—The term ‘modified energy factor’ means the modified

energy factor established by the Department of Energy for compliance with the Federal energy conservation standard.”.

(5) GALLONS PER CYCLE; WATER CONSUMPTION FACTOR.—Section 45M(f), as amended by paragraph (3), is amended by adding at the end the following:

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

“(10) WATER CONSUMPTION FACTOR.—The term ‘water consumption factor’ means, with respect to a clothes washer, the quotient of the total weighted per-cycle water consumption divided by the cubic foot (or liter) capacity of the clothes washer.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2007.

**SEC. 845. ACCELERATED RECOVERY PERIOD FOR DEPRECIATION OF SMART METERS AND SMART GRID SYSTEMS.**

(a) IN GENERAL.—Section 168(e)(3)(D) is amended by striking “and” at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma, and by inserting after clause (ii) the following new clauses:

“(iii) any qualified smart electric meter, and

“(iv) any qualified smart electric grid system.”.

(b) DEFINITIONS.—Section 168(i) is amended by inserting at the end the following new paragraph:

“(18) QUALIFIED SMART ELECTRIC METERS.—“(A) IN GENERAL.—The term ‘qualified smart electric meter’ means any smart electric meter which is placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services.

“(B) SMART ELECTRIC METER.—For purposes of subparagraph (A), the term ‘smart electric meter’ means any time-based meter and related communication equipment which is capable of being used by the taxpayer as part of a system that—

“(i) measures and records electricity usage data on a time-differentiated basis in at least 24 separate time segments per day,

“(ii) provides for the exchange of information between supplier or provider and the customer’s electric meter in support of time-based rates or other forms of demand response,

“(iii) provides data to such supplier or provider so that the supplier or provider can provide energy usage information to customers electronically, and

“(iv) provides net metering.

“(19) QUALIFIED SMART ELECTRIC GRID SYSTEMS.—

“(A) IN GENERAL.—The term ‘qualified smart electric grid system’ means any smart grid property used as part of a system for electric distribution grid communications, monitoring, and management placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services.

“(B) SMART GRID PROPERTY.—For the purposes of subparagraph (A), the term ‘smart grid property’ means electronics and related equipment that is capable of—

“(i) sensing, collecting, and monitoring data of or from all portions of a utility’s electric distribution grid,

“(ii) providing real-time, two-way communications to monitor or manage such grid, and

“(iii) providing real time analysis of and event prediction based upon collected data that can be used to improve electric distribution system reliability, quality, and performance.”.

(c) CONTINUED APPLICATION OF 150 PERCENT DECLINING BALANCE METHOD.—Paragraph (2) of section 168(b) is amended by striking “or” at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

“(C) any property (other than property described in paragraph (3)) which is a qualified smart electric meter or qualified smart electric grid system, or”.

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

**SEC. 846. QUALIFIED GREEN BUILDING AND SUSTAINABLE DESIGN PROJECTS.**

(a) IN GENERAL.—Paragraph (8) of section 142(l) is amended by striking “September 30, 2009” and inserting “September 30, 2012”.

(b) TREATMENT OF CURRENT REFUNDING BONDS.—Paragraph (9) of section 142(l) is amended by striking “October 1, 2009” and inserting “October 1, 2012”.

(c) ACCOUNTABILITY.—The second sentence of section 701(d) of the American Jobs Creation Act of 2004 is amended by striking “issuance,” and inserting “issuance of the last issue with respect to such project.”.

**Subtitle D—Revenue Provisions**

**SEC. 851. LIMITATION OF DEDUCTION FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, GAS, OR PRIMARY PRODUCTS THEREOF.**

(a) DENIAL OF DEDUCTION FOR SPECIFIED OIL COMPANIES FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, GAS, OR PRIMARY PRODUCTS THEREOF.—Subparagraph (B) of section 199(c)(4) (relating to exceptions) is amended by striking “or” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, or”, and by inserting after clause (iii) the following new clause:

“(iv) in the case of any specified oil company (as defined in subsection (d)(9)), the production, refining, processing, transportation, or distribution of oil, gas, or any primary product thereof.”.

(b) LIMITATION ON OIL RELATED QUALIFIED PRODUCTION ACTIVITIES INCOME FOR TAXPAYERS OTHER THAN SPECIFIED OIL COMPANIES.—

(1) IN GENERAL.—Section 199(d) is amended by redesignating paragraph (9) as paragraph (10) and by inserting after paragraph (8) the following new paragraph:

“(9) SPECIAL RULE FOR TAXPAYERS WITH OIL RELATED QUALIFIED PRODUCTION ACTIVITIES INCOME.—

“(A) IN GENERAL.—If a taxpayer (other than a specified oil company) has oil related qualified production activities income for any taxable year beginning after 2009, the amount otherwise allowable as a deduction under subsection (a) shall be reduced by 3 percent of the least of—

“(i) the oil related qualified production activities income of the taxpayer for the taxable year,

“(ii) the qualified production activities income of the taxpayer for the taxable year, or

“(iii) taxable income (determined without regard to this section).

“(B) OIL RELATED QUALIFIED PRODUCTION ACTIVITIES INCOME.—For purposes of this section, the term ‘oil related qualified production activities income’ means for any taxable year the qualified production activities income which is attributable to the production, refining, processing, transportation, or distribution of oil, gas, or any primary product thereof during such taxable year.

“(C) SPECIFIED OIL COMPANY.—For purposes of this section, the term ‘specified oil company’ means—

“(i) any major integrated oil company (as defined in section 167(h)(5)(B)), and

“(ii) any entity in which a foreign government holds (directly or indirectly)—

“(I) any interest which (by value or voting interest) is 50 percent or more of the total of such interests in such entity, or

“(II) any other interest which provides the foreign government with effective control of such entity.

“(D) PRIMARY PRODUCT.—For purposes of this section, the term ‘primary product’ has the same meaning as when used in section 927(a)(2)(C), as in effect before its repeal.”.

(2) CONFORMING AMENDMENT.—Section 199(d)(2) (relating to application to individuals) is amended by striking “subsection (a)(1)(B)” and inserting “subsections (a)(1)(B) and (d)(9)(A)(iii)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

**SEC. 852. CLARIFICATION OF DETERMINATION OF FOREIGN OIL AND GAS EXTRACTION INCOME.**

(a) IN GENERAL.—Paragraph (1) of section 907(c) is amended by redesignating subparagraph (B) as subparagraph (C), by striking “or” at the end of subparagraph (A), and by inserting after subparagraph (A) the following new subparagraph:

“(B) so much of any transportation of such minerals as occurs before the fair market value event, or”.

(b) FAIR MARKET VALUE EVENT.—Subsection (c) of section 907 is amended by adding at the end the following new paragraph:

“(6) FAIR MARKET VALUE EVENT.—For purposes of this section, the term ‘fair market value event’ means, with respect to any mineral, the first point in time at which such mineral—

“(A) has a fair market value which can be determined on the basis of a transfer, which is an arm’s length transaction, of such mineral from the taxpayer to a person who is not related (within the meaning of section 482) to such taxpayer, or

“(B) is at a location at which the fair market value is readily ascertainable by reason of transactions among unrelated third parties with respect to the same mineral (taking into account source, location, quality, and chemical composition).”.

(c) SPECIAL RULE FOR CERTAIN PETROLEUM TAXES.—Subsection (c) of section 907, as amended by subsection (b), is amended to be adding at the end the following new paragraph:

“(7) OIL AND GAS TAXES.—In the case of any tax imposed by a foreign country which is limited in its application to taxpayers engaged in oil or gas activities—

“(A) the term ‘oil and gas extraction taxes’ shall include such tax.

“(B) the term ‘foreign oil and gas extraction income’ shall include any taxable income which is taken into account in determining such tax (or is directly attributable to the activity to which such tax relates), and

“(C) the term ‘foreign oil related income’ shall not include any taxable income which is treated as foreign oil and gas extraction income under subparagraph (B).”.

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 907(c)(1), as redesignated by this section, is amended by inserting “or used by the taxpayer in the activity described in subparagraph (B)” before the period at the end.

(2) Subparagraph (B) of section 907(c)(2) is amended to read as follows:

“(B) so much of the transportation of such minerals or primary products as is not taken into account under paragraph (1)(B).”.

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

**SEC. 853. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

In the case of a corporation—

(1) to which paragraph (1) of section 401 of the Tax Increase Prevention and Reconciliation Act of 2005 applies, and

(2) which had any significant income for the preceding taxable year referred to in such paragraph from extraction, production, processing, refining, transportation, distribution, or retail sale, of any fuel or electricity,

the percentage under subparagraph (C) of such paragraph (as in effect on the date of the enactment of this Act) is increased by 40 percentage points.

The SPEAKER pro tempore (Mr. OBEY). Pursuant to House Resolution 1433, the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Alaska (Mr. YOUNG) each will control 90 minutes.

The Chair recognizes the gentleman from West Virginia.

**GENERAL LEAVE**

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on H.R. 6899.

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

There was no objection.

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

Mr. Speaker, the pending legislation, H.R. 6899, has as its additional cosponsors the gentleman from Texas (Mr. GENE GREEN), the gentleman from California (Mr. GEORGE MILLER), and the gentleman from Michigan, the dean of the House, Mr. JOHN DINGELL.

My colleagues, today we stand at a crossroads, and the two paths before us are crystal clear. Those of us supporting the pending legislation bring with us the new-age conviction that in order for this Nation to be truly secure, we must bridge the gap between our addiction to oil, to a future empowered by more secure, safe, and reliable sources of power, that we must shatter the shackles of the past and remove the bonds that have placed such a burden on the American people and on our security as a Nation.

The other path is less enlightened. It carries with it the belief that a subservience to the policies of the past can sustain the country in the years and decades ahead. It would sacrifice America’s energy security on the altar of Big Oil’s profits and its profiteering. The choice is quite clear.

Before us today is landmark legislation that would, for the first time since 1982, sweep away moratoria precluding oil and gas leasing in much of the Federal waters off America’s coastlines.

As a result of the pending measure, roughly 85 percent of all oil on the Outer Continental Shelf will be available for production. We are opening up to 400 million acres off the Atlantic and Pacific Coasts to drilling. We are expanding the availability of oil by at least 2 billion barrels of oil, enough to power 1 million cars for 60 years.

But in doing so, we have built in safeguards. I repeat that: we have built in safeguards. We do not undermine the defense posture of this country and the Defense Department’s need to engage in military operations in America’s waters.

We protect national marine monuments and sanctuaries, and we provide for the consideration of the interests of the coastal marine and human environment. And importantly, we are cracking down on the incredible failure of the Interior Department to ensure that Americans are getting paid a fair rate of return for the production of their, and I emphasize their, Federal oil and gas reserves and resources. These reserves are not owned by Chevron or Shell or by Exxon; they are owned by all Americans. They are owned by all Americans by birthright.

Yesterday, another former Interior Department official who was in charge of collecting Federal oil and gas royalties pleaded guilty to rigging bids. Last week reports were released by the Interior Department’s Inspector General which found “a culture of ethical failure” in a division of the Minerals Management Service as part of what I believe to be a burgeoning scandal. This is an agency that is supposed to safeguard one of the largest non-IRS streams of revenue to the Treasury. It is almost like Teapot Dome all over again.

At the same time, Government Accountability Office reports were released that found that the United States receives one of the smallest shares of oil and gas revenue in the world. Think about that. We receive one of the smallest shares of oil and gas revenues of any country in the world.

The reports also found that Federal oil and gas leases are not being diligently developed. We on this side of the aisle have been saying that for months. Production is only occurring on 12 percent of offshore leases and 5 percent of onshore leases. And as I have been bringing to light through a number of hearings held by the Natural Resources Committee, the Interior Department is unable to provide certainty that companies are paying the royalties owed to the American people, a culture of ethical failure, indeed.

The legislation before us contains bold initiatives to crack down on this legacy of abuse. It would require the diligent development of Federal oil and gas leases, require that prompt, transparent and accurate royalty payments are made, and would tackle the ethical failures occurring at the Interior Department. Leading the vanguard in our march to a more energy self-reliant and secure future is this legislation’s establishment of a strategic energy efficiency and renewable reserve.

□ 1700

This initiative would finance the development of renewable and alternative energy technologies, provide increased assistance for low-income



home energy and weatherization programs, and advance carbon capture and storage, among other items. And we are dedicating over \$6 billion to this fund over the next 10 years.

All of the above. All of the above. How often have we heard that in this debate? All of the above. It is here my friends: oil, natural gas, oil shale, wind, solar, coal energy efficiencies and energy conservation.

As I noted earlier, today we are at a crossroads. The difference is clear between those of us supporting this measure and some of those on the other side of the aisle who have been trumpeting their bumper sticker "drill here, drill now" approach to our serious energy situation.

They would open up everything to Big Oil. Perhaps some of them would even open up the National Mall if they could to drilling rigs. They would give away the store, no accountability, no safeguards, no expectation of a return in terms of energy or revenue.

We, on this side, instead, seek to protect America's interests in American resources. Make more Federal oil and gas available to drilling? Yes. That's what we're doing in this bill. But we're doing so in a manner that safeguards our environment, ensures the diligent development of those energy resources, and demands that the American taxpayer gets a fair return. Royalties due, royalties paid.

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

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself as much time as I may consume.

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, and my colleagues, I rise in the strongest possible opposition to this ill-conceived, if it was conceived at all, legislation.

I don't know how many of you ever saw the Peter Pan story, the movie, or even read it. This is a Peter Pan story. You know, they have the imaginary bowls, the bowls that were not imaginary but they were empty, and they convinced Peter Pan, Robin Williams, to use his imagination and the bowls will be full of food.

And this is what you're doing today, Mr. Chairman, and the people that wrote this bill, who we do not know who did write it. Use your imagination. We're going to have the oil for everything because this bill produces oil.

It produces nothing. This is a Peter Pan story. It's a figment of the imagination. It is a political gimmick. It is a sham on the American people.

Shame on this House, that the courage wasn't there for the leadership to go on both sides of the aisle, listen to those that have some expertise in this problem we are facing today, the high cost of energy, and work together and pass an energy solution to a problem that produces not only fossil fuels but other forms of fuel, that solves the

problems for the commuter who has to go to work. And Mr. and Mrs. Commuter, if you think this bill today that came out of this leadership on that side produces one bit of relief to you as you drive to work, don't believe it. Go see Peter Pan. That's all this bill is.

It has nothing in there to produce energy. In fact, it probably will drive down the ability to produce energy. It will help foreign countries.

I just heard my chairman talk about Big Oil, how bad Big Oil is, and put the blame on Big Oil. Where do you think you're getting your oil today as you put it in your tank? From Saudi Arabia, Venezuela, Chavez, foreign countries that have control of us right now. We ought to be talking about that. Forget talking about Big Oil, because this body, and I've said it before on this floor of the House, both sides of the aisle have not seized the ability to solve the energy problem by developing fossil fuels.

Coal. There's nothing in this bill about coal to liquification or gasification. There's nothing in this bill about nuclear power. There's nothing in this bill that produces any energy. In fact, this bill takes land that's open now and closes it, and take lands that was closed and opens it, but it happens to be 50 miles offshore. Any oil in between there can't be developed.

And by the way, my good friends, if any State contiguous to decides not to have it drill 50 miles and out they can say no, and they will say no because there's no revenue sharing in this bill. None.

It is probably the best way to call this bill the Venezuela, Russian, Middle East Oil Production Act, because you're protecting the foreign countries under this legislation.

I don't know why I'm getting worked up about it because we all know this is a political gimmick. It's never going to go anywhere. It's not going to become law. But it will give some people cover to say, I voted for more drilling and more production. This bill does not do that.

It will increase energy costs. And I'm a little concerned on both sides of the aisle again because oil has dropped down to \$93 a barrel today. You know, if that would have happened last year we would have said, my God, the world's coming to an end. Oil went to \$93. But it was \$145, and we are being lulled into this type of legislation saying we're going to solve the problem and nothing is occurring to solve the problems of the American consumer. We're right where we were last year and the year before that, and that's wrong.

It does leave out ANWR. I wasn't going to bring up that, but the closest, quickest way to produce a million barrels a day to the United States was to open ANWR. No, we left that out. Can't happen. A million barrels a day for the next maybe hundred years, for the American consumer. Every barrel would have gone to the United States

of America. A little provision says you can't export any of this oil to overseas. We're not exporting oil, we're consuming it. But we're consuming most of our oil from overseas, paying the foreign countries the oil prices today because you have not come to this floor, not one hearing in our committee on this issue.

This bill was written in the midnight. I shouldn't say the midnight, the midnight sun. I would say it was written in the darkness of night. And introduced last night, had the rule last night, 500 pages. I have read it, and it produces nothing.

You can get more energy out of this bill, ladies and gentlemen, if you take all the copies of the bill and put it in a bonfire. And that is not good for this House of this Nation. You had the opportunity.

Now, I don't understand, really, why anybody would support this legislation at all because we're committing something wrong to the American people. We had a chance.

I see people from oil-producing States over on that side. Why did you buy into the concept we wanted to bring a bill to the floor that does nothing but say I helped develop more oil when it doesn't do it?

If you believe that, you would have let us have this bill, 2 weeks, 3, 4 weeks ago, but you didn't because you know when it finally gets out to the public and they start understanding what's occurring, that the public will understand, yes, it was a sham.

And I'm tired of politics on oil in this body. We have a Speaker that believes that we have to save the planet because we can't burn any more fossil fuel. If that's the case, then let's admit it. I believe this is what she believes, and I think that's sad.

I believe we ought to say, okay, we do have to have fossil fuels and we can develop the other forms of energy but it takes time. We need that bridge. This bill doesn't do that.

So we're going to come back here next year, the public will be hoodwinked. The public will have high prices again, nothing will be done.

If we're really wise, we'd take this bill today, totally defeat it, send it back and work across the aisle for the American people, work across the aisle for solutions that would no longer have the yoke not of Big Oil around our necks, the yoke of the foreign countries that took those billions of dollars. The largest transfer of American wealth in history occurred because this body didn't act correctly and did not develop the resources so we wouldn't have to transfer that wealth overseas, and we did it.

So we have a responsibility to defeat this legislation. It was conceived in the dark. Who the father is, I do not know. But we do know it's not legitimate.

I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself 1 minute.

I would note to the gentleman that just spoke, the minority, when they

were in power, tried very hard writing bills late at night, so nothing should surprise them as far as the timing of this bill.

I yield, Mr. Speaker, 3 minutes to the distinguished gentleman from Texas (Mr. GENE GREEN), a very important champion of this bill and cosponsor of the legislation.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in strong support of H.R. 6899, the Comprehensive American Energy Security and Taxpayer Protection Act.

I don't know why my Republican colleagues can't take yes for an answer. We are opening up over 305 million acres. Now, granted, it's a compromise. But when you were in charge, we opened up 8 million acres in the eastern Gulf of Mexico. I'd like to open up more, but, again, like you had to make compromises, we have. But for the first time we're going to open up more Outer Continental Shelf opportunity than anytime in history, even under years of Republican House control, Senate control and the President.

I support opening ANWR, but that didn't happen even when the Republicans were in control.

The royalty share, I'd love to share royalties with our States who allow drilling, but CBO won't let us. Maybe the Senate will bring up that point.

But I don't know why we can't take yes for an answer. If you want to drill in our country, this is the bill. Now, if you want a political issue that you think you'll ride into the November election on like you tried in August, which was more theatrics than anything else then vote "no." But I'll tell you what, the American people are going to see this for what it is. And it's a comprehensive bill that will go forward.

We're going to invest that royalty into renewable energy research. I don't think it's economically feasible now, but we need to get there. But we're going to produce domestically, and send that message to the world which, you know, maybe a bill on the floor has helped us with that oil prices going down every day per barrel.

I want to thank my esteemed colleagues, Chairman RAHALL, Chairman MILLER and Chairman DINGELL, as well as Speaker PELOSI and Majority Leader HOYER and the entire Democratic Caucus for working together to craft legislation that our majority, our Congress and our country can be proud of.

Now, I know some of my friends in Congress and maybe the energy industry and the environmental community may be asking themselves one question: "How in the world can an unholy alliance of GREEN, MILLER and RAHALL ever come together to introduce a comprehensive energy plan. The answer is very simple. America's energy needs demand it. We need to do what's environmentally good, but we also need to make sure we can keep the prices of our current fuel costs low, and whether it's for lighting our homes or cooling

or heating our homes or running our vehicles or running our industry.

All sides of this debate can no longer insist my way or the highway approach to energy. We need all energy sources, both conventional and renewable, and everyone must be willing to sacrifice to reach a common good.

I personally have questions about this, some of the things in this bill. But again, this is the first step. Why would you kill it right now when we still have to work with the Senate and also get a bill passed that the President will sign?

So this is the first time we're opening this much Outer Continental Shelf drilling in the Democratic majority House of Representatives. Maybe it's just response to say no to everything that comes up because we're doing it many, many times more than what they did when they had the majority.

Our legislation improves on the original H.R. 6 from last year, at least freezing independent oil and natural gas producers at their current section 199 manufacturing. It removes the arbitrary proposals for raising royalty. There was a proposal to go to 21 percent. This administration already increased it to 16 percent. But we don't need to go to 21. It retains accountability for the tainted royalty in kind that I support.

Mr. Speaker, I will place the remainder of my statement into the RECORD, but let me just say one last thing.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. GENE GREEN of Texas. President Bush waited 7½ years to eliminate the executive moratorium. And the Democratic Congress has only taken 1½ years.

It improves the management of the Strategic Petroleum Reserve—an idea first offered by my good friend from Texas, NICK LAMPSON—by allowing a swap for heavy crude which could immediately lower prices for consumers.

Most dramatically, our proposal will help utilize our own domestic oil and natural gas resources in the Outer Continental Shelf.

Our legislation incorporates many of the offshore drilling provisions I and other "Energy Democrats" first introduced in the LEASE Act by directing the immediate opening of all areas beyond 100 miles off our coasts.

That's over 305 million acres in the OCS that are automatically opened for oil and natural gas leasing.

States are also given discretion to "opt-in" to additional drilling from 50 to 100 miles off their coasts estimated at an additional 90 million acres for production.

My friends from the other side of the aisle will argue this bill does not open up enough acreage offshore.

In some instances, as in the Eastern Gulf of Mexico, I agree.

But let's not forget one fact: during the height of Republican rule, under both a Republican President and Congress, Republicans were only able to direct the opening of 8.3 million acres for leasing in the Gulf of Mexico. President Bush after almost 7½ years in office removed the Presidential moratorium.

Today, Democrats are directing the opening of over 305 million acres with state concurrence.

This is hundreds of millions more acres that are directly opened than in the Senate's "Gang of 20" proposal, or in Senate Republican Leader MITCH MCCONNELL'S "Gas Price Reduction Act", which has the support of 44 Republican Senators.

Most importantly, we use the revenues from oil and gas production to transition America to a clean energy future.

Our bill will create a fund to invest in clean renewable energy, energy efficiency, the Land and Water Conservation Fund, carbon capture sequestration, and the Low-Income Home Energy Assistance Program.

And we extend many of the critical tax credits for wind, solar, and other renewable energy sources that expire this year.

While I believe it's also fundamental to allow states to share in any offshore revenues, "pay-go" rules require any revenue sharing-provisions to be offset—whether it's included in this legislation or any other OCS proposal.

Mr. Speaker, our legislation isn't perfect. But we cannot make the perfect the enemy of the good. Let's pass this bill and for the first time a Democratic Congress.

Our constituents, and our Nation, can no longer wait for Congress to act on a balanced energy policy that will provide the conventional energy we need to fuel our economy and to develop the clean energy sources of tomorrow.

I urge my colleagues to support the Rahall-Green-Miller legislation, and I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself 1 minute.

Again, I have great respect for my friend from Texas, and I understand the pressure he's under.

But just think for a minute. There's no real offshore exploration in their bill. There's no renewables in their bill. There's no oil shale in their bill. Of course there's no ANWR in their bill. There's no nuclear in their bill. There's no clean coal to coal to liquids in their bill. There's no new refinery capacity in their bill.

□ 1715

There is no electricity price hike control in their bill. And most of all, there is no lawsuit reform in their bill.

This bill is, in fact, a "no" bill: no energy, no energy, no energy.

Mr. Speaker, at this time I ask unanimous consent that the gentleman from Texas and the ranking Republican on the Energy and Commerce Committee be allowed to control 21 minutes of the general debate time.

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

There was no objection.

Mr. BARTON of Texas. I would recognize myself, Mr. Speaker, for 3½ minutes.

Members of the House, we have before us a bill that proclaims to be one thing but which is, in reality, something entirely different. My good friend from Texas, the Honorable GENE GREEN, whose district has just been hit so hard by Hurricane Ike, made the point that under Republican majorities we only opened—his term was 8 million

acres and this bill pretends to open 300 million so it's a better bill.

Well, I would point out that if we put in the bill that you can drill anywhere in the Pacific Ocean beyond 200 miles or anywhere in the Atlantic Ocean beyond 200 miles, which is the international limit, that we could claim to open up for exploration literally billions of acres.

The point is we don't have the technology in many cases to utilize that. And in any event, there is no prohibition now.

What we need to do is have an energy development bill for America that makes it possible to develop the energy resources where we think we have the highest probability of actually finding and developing, in an environmentally and economically safe fashion, those resources. This bill doesn't do that. It simply doesn't do that.

I would have liked in prior Congresses when I was chairman of the Energy and Commerce Committee or subcommittee chairman of the Energy and Air Quality Subcommittee to have opened up more of our domestic energy resources. But in those Congresses, we literally didn't have the votes. We did have debate on the floor, we had amendments offered, we had an open process in committee and on the floor; but in some of those cases, we lost those votes.

This bill, we're not allowed to even have the amendment. I offered a number of amendments to the Rules Committee last evening, and they were not made in order. This is a closed rule, you know. Why not have this as the base text and then have a number of amendments to see what the will of the House is? That would be a fair process.

This is not a fair process.

When the first title, section 101 of your bill, is a title called "Prohibition on Leasing" and in the very first paragraph, notwithstanding any other provision of the Outer Continental Shelf and several other laws, no leasing shall be allowed unless expressly authorized in this bill itself, that's not a pro-energy development bill. That's not a pro-energy development bill.

So this is a bill that pretends to be one thing, Mr. Speaker, but in actuality is something completely different. If we had any kind of a regular process where the bill went through the gentleman's committee, the Resources Committee and the Ways and Means Committee and the Energy and Commerce Committee and the Agriculture Committee and the Science Committee so that we had these issues vetted, that would be a different thing.

This is a 290-page bill. Nobody knows what is in the bill in its entirety. None of this has been vetted. I think it will come as a surprise to some Members of the majority that you have mandatory random drug testing in this bill. I don't know that everybody on the majority side—I happen to think that's one of the few good things in the bill. But it is in the bill. Now, I have participated

in floor debates in prior Congresses where we tried to do mandatory drug testing, and huge majorities of the current majority opposed that.

So, again, we've got a flawed process; we have a flawed bill. What we have is a title that pretends to be one thing and the substance of the bill is something else. We should vote this down and go back and have a bipartisan process.

With that, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself 1 minute.

It's interesting to note that the gentleman from Texas has just spoken about that we should have a straight up-or-down—or, I'm sorry, that we should have amendments, that he's complaining about the closed rule as other Members on that side have. Yet their mantra over the last several months has been, Let's have a straight up-or-down vote; let's have a straight up-or-down vote. I would say that's what we're getting to before this evening is over with.

I would note also the lack of hearings to which we've been charged. This energy debate has gone on ad infinitum on numerous pieces of legislation, often bills having nothing to do with energy, during 1-minutes, during Special Orders. Even when the House was not in session, the other side had their energy debate.

So I would say there are various parts of this bill that have passed the House before, have been debated on ad infinitum in committees and/or on this floor. So there is really nothing new in this piece of legislation, and it's a piece of legislation that has been debated over and over.

Mr. Speaker, I yield 3 minutes to the distinguished chairman of our Education and Labor Committee, the gentleman from California (Mr. GEORGE MILLER), and also a cosponsor of this legislation.

Mr. GEORGE MILLER of California. I thank the chairman for yielding and thank him for bringing this legislation to this floor. I'm honored to be a cosponsor of this legislation along with Mr. RAHALL and Mr. GREEN.

I rise in very strong support of this comprehensive, forward-looking bill that will provide relief at the pump, create good jobs here in America, and finally put our Nation on a path toward a clean and more independent energy future. Surely that is something that we could all support.

Americans understand the problem. Our Nation is addicted to oil. Consumers are paying record prices to heat and cool their homes and to drive their cars and trucks. Global warming is real; it's serious and a growing problem. Meanwhile, oil companies are making more money than ever before. That's why Democrats made energy a top priority when we took back the House and Senate last year.

We raised auto fuel economy standards for the first time in a generation,

overcoming the objections of the auto and oil industries and the Republicans in Congress and the White House. And we passed one bill after another to improve America's energy policy to expand wind, solar, and other renewable energy sources, to increase the efficiency and conservation, to curb speculation and energy markets, and to release oil from the Strategic Petroleum Reserve, and to recoup tens of billions of dollars that oil companies have unfairly taken from the taxpayers as they've exploited the taxpayers' resources on our public lands.

Every bill we passed was opposed by a majority of the Republicans in Congress and by President Bush. And at the end of all of their objections, gas rose to \$4 a gallon. Think how different this debate would have been if in the previous decade when the Republicans controlled this House and the 8 years when they controlled the White House and the Congress if they had pushed forward on energy in those days. Think how different the automobile industry would have been today had they not caved in to the oil industry and the auto industries and moved those standards. But no, it took 30 years, and we did it in this Congress with the Democratic leadership.

Think how different this discussion would be on renewables and alternatives if the Republicans had chosen that. But no. Every time they brought an energy bill to the floor, they looked to the past. They said that we could drill our way out of this problem, we're just another drop of oil away from the problem. And at the end of that decade, we ended up more dependent upon foreign oil than at any other time in our history.

So that's why we're here today. We're here to help consumers, to drive down the price of energy, to expand the energy resources in this Nation that are available to all consumers all across the country, and to create good American jobs in the process of doing that and to put us on that path to energy independence and to greater diversity in our sources of energy.

We are not going to succumb to the old interests that tell us we have to continue to give away the public's resources and not provide the royalties that the public is entitled to, that the public, with all due respect, in most every other nation in the world gets when they give their resources to be exploited.

We're going to stop the days of the royalty holidays, royalty holidays for oil companies that are making record profits because of their record ingenuity and their skill and their talent. But the fact of the matter is there is no royalty holiday for the ratepayers, for the people paying at the pump, for people trying to heat and cool their homes. And that's why this legislation must pass because this legislation speaks to the future, to a sustainable and renewable energy policy for this country for the first time in over a decade.

Mr. BARTON of Texas. Mr. Speaker, I want to yield 2 minutes to a member of the Energy and Commerce Committee, Congresswoman BLACKBURN of Tennessee.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman from Texas for yielding the time.

You know, this has been such an interesting discussion that we have carried forth on this bill. It has lasted for weeks. And finally the majority decides they're going to do something about it. But you know, it really is a bait-and-switch-type issue with the American people because the American people are for drilling on American soil for American energy resources because they want to move to energy independence. They want to lower the price at the pump. And the bill that we have in front of us is not going to do that.

Indeed, Mr. Speaker, if you get into section 101 of this bill, what is it that you find right out of the gate, right from the start, what is it that the majority wants to do? And now bear in mind this bill never came to the Energy and Commerce Committee. It didn't go to the Energy Subcommittee. The 290 pages of this bill was dropped in the dark of night last night and brought to the floor today.

But in section 101 of the bill, what do you have? Putting permanently off-limits some of the richest reserve areas in the Outer Continental Shelf.

So it's like that situation where you want to give a little and take a lot, which is not appropriate when we have the price of gas in our States at all-time record highs today.

Other things that it does not do is to address renewables without tax hikes. If you want renewables, run the taxes up, is what the majority says, what the Democrats say. Oil shale exploration? Not going to do that. Arctic coastal plain, ANWR? Not going to do that.

If you want nuclear—in TVA and Tennessee, we're looking at a 20 percent electric rate hike. But this bill would make it more difficult for expanding nuclear. There's nothing in there for emission-free nuclear. And we know that our rates are going up 20 percent. We know that moving from hydroelectric to nuclear is an imperative for us.

I encourage my colleagues to vote this bill down and vote for the American Energy Act, all-of-the-above.

Mr. RAHALL. Mr. Speaker, I yield 4 minutes to the distinguished chairman of our Subcommittee on Energy and Mineral Resources, an individual who's helped us a great deal in the drafting of this legislation, the gentleman from California (Mr. COSTA).

Mr. COSTA. Mr. Speaker, I want to thank Chairman RAHALL, Chairman MILLER, and Chairman GREEN for all their hard work and their continuous efforts to try to ensure that we deal with America's energy crisis today.

I rise in support of the passage of H.R. 6899, but I view this bill as a work in progress. Obviously it's not in its

final form. The Senate needs to vet its efforts, and the President needs to weigh in, and therefore it needs more work, in my opinion.

I do appreciate, though, the Speaker's efforts on this bill. And I do hope to continue to support her efforts as we look at the compromise, the bipartisan compromise, that will continue to improve this measure.

In its current form, however, it doesn't provide some of the comprehensive efforts and solutions that existed in the measure that Congressmen ABERCROMBIE, PETERSON, and others worked on in a bipartisan effort; and I want to thank them, Representatives ABERCROMBIE and PETERSON, for their hard work. Six weeks we worked in June and in July to form the bipartisan compromise effort otherwise known as the National Conservation Environment and Energy Independence Act, H.R. 6709.

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The differences between that effort and this are the following:

First, the bill prohibits drilling within 50 miles of the coast, which, in my opinion, puts a lot of our most promising areas off-limits in terms of the Outer Continental Shelf.

Second, by not allowing revenue sharing with States, as we do with Texas, Louisiana and Mississippi, I think it makes it less likely that States will opt in to leasing, even between the 50 and 100 miles.

Third, the bill doesn't directly tie the new royalties generated to funding for renewables and energy efficiency. So it doesn't provide the same benefits that we have in H.R. 6709, although there are some PAYGO issues there. I think they are workable. I think we can get this measure out. I think we can work with them in the Senate.

The bottom line is that we need to use all the energy tools in our energy toolbox. That includes both coal sequestration, as well as new advances in nuclear power that doesn't put it in Nevada.

We talk a lot about the urge to put an Apollo-like program together. We do. We do need to do that in a bipartisan effort. But sometimes people forget that in the Apollo program, we had the Mercury program so that men could go into space. We had the Gemini project that showed that you could dock and you could spacewalk before we got to Apollo.

The goal is to reduce our dependency on fossil fuels, reduce our dependency on foreign sources of energy. We can't get there overnight. We need to have this Apollo-like program that uses our current energy resources here in America to finance the renewables that will bridge the gap. That's what we need to do.

It's my hope that the provisions of our previous measure can be incorporated into this bill as we work through the legislative process, as we should do. But I think it's a step in the

right direction, this measure. We need to move forward to take a closer look at how we come together in a bipartisan effort in that comprehensive energy package. The American public demands that we do this. Our economy requires that we do this.

We are going to have a transfer of \$750 million in wealth this year just to pay for our energy price tag. For all those reasons, I urge my colleagues to vote for this measure, even though you don't like some of the elements in this measure, as I don't believe some of the elements in this measure are pointed toward that comprehensive effort.

But I want to commend my colleagues, Chairman RAHALL, Chairman MILLER and Chairman GREEN, for their willingness to compromise. I want to continue my efforts across the aisle with Congressman PETERSON and others who are part of that bipartisan effort. That's what we need to do, that's what the American public expects, and that's why I'm voting for this measure.

I thank the chairman.

Mr. BARTON of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. LUCAS).

Mr. LUCAS. Mr. Speaker, I come before you today to address the majority's so-called energy package. I find the name odd, considering it contains almost no energy provisions. Instead, it serves as political cover, an empty offering to the American people before the November elections. After all, it contains no language to build new nuclear power plants or oil refineries. And while it claims to allow offshore drilling, it actually keeps 88 percent of offshore oil reserves under lock and key.

The American people want real action and meaningful solutions that include an increase in American-produced energy. The American Energy Act, on the other hand, will open all of our vast natural resources, allowing oil exploration offshore and in ANWR. It assists in the building of new oil refineries and nuclear power plants, and extends the tax credits to encourage more investment and research into wind and solar energy.

This is the all-of-the-above energy solution that the American people have been asking for. I implore my colleagues to listen to the American people. Bring the real energy bill to the floor for a vote.

Mr. RAHALL. Mr. Speaker, I am very honored to yield 1 minute to the distinguished dean of the House and cosponsor of the pending legislation and chairman of our Energy and Commerce Committee, Mr. DINGELL of Michigan.

Mr. DINGELL. Mr. Speaker, I rise in support of the legislation. I rise to commend and express my great respect for the distinguished gentleman from West Virginia (Mr. RAHALL), chairman of the Committee on Natural Resources, and also to my colleague Mr. GREEN, a valuable member of the Committee on Energy and Commerce.

They, working with the Speaker, have come forward with a good bill,

one which is going to move this country forward in terms of reducing our dependency on foreign oil and increasing our utilization and development of more of our own domestic natural resources.

This bill achieves the delicate balance between the need for increased production, aggressive conservation, and a greater use of renewable energy, a path that this Congress has established in last year's energy bill, and as I would note for my colleagues, we will be in business again next year. Last year, we did something. The year before, in the prior Congress under the leadership of my Republican colleagues, we passed legislation which also increased production. Next year, I assure you that when we confront the business of this Congress in the new Congress, we will again move forward on legislation. This is not a static matter. It is something which goes forward in an intelligent process, thoughtfully led by people like my good friend from West Virginia (Mr. RAHALL).

Again, I commend my colleagues who have worked on this legislation. I recognize that it has more to be done, but there's always business to be done around this place.

I urge the adoption, and again, I commend my friend Mr. RAHALL and his colleagues on the committee for the superb job they have done on this legislation working with our distinguished Speaker.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to a member of the Energy and Commerce Committee, Mr. MURPHY of Pennsylvania.

Mr. TIM MURPHY of Pennsylvania. Mr. Speaker, the American public wants real solutions to this energy crisis. Unfortunately, what we're voting on today is not a real solution. It's a no drill bill.

Our country's security is threatened in four ways. One is family security. With the price of natural gas and food on the increase, families can't afford the next loaf of bread, the next gallon of milk, the next tank of gas or the heating bill for their homes.

Two, job security. As we continue to rely on OPEC countries for oil, we are refusing to create jobs here. Consider this: One oil refinery during construction would be 8,000 jobs and then another 1,800 during its use. Oil and natural gas exploration employs nearly 386,000 workers. We could double or triple this number if we drill for more oil. Indirect incomes in other industries resulting from this gas activity can support another 4 million jobs, and this bill cuts out our vast coal supplies and the jobs from clean coal energy and coal-to-liquid.

Three, our economic security is also threatened. As we rely on OPEC countries, other nations in the Mideast get rich off our dollars. Our national debt continues to rise and our dollar falls. OPEC buys our national debt, buys our businesses, and our trade deficit with energy gets worse.

Fourth, our national security. Many of these oil producing countries are threatening the United States. Iran uses oil money to fund missiles and nuclear weapons and supplies bombs to attack our troops. Russia invades Georgia, threatens the Ukraine, threatens Poland, and sends bombers to Venezuela.

We must drill for our own abundant oil as a means to end our dependence on foreign oil, but this bill cuts off 90 percent of U.S. oil off our coasts, which means we cannot use that energy to help our country.

Americans understand: We cannot tax away the independence. We cannot cut off our energy as a way to independence. We can and should use our oil, use our coal, use our nuclear energy, use our innovation and use conservation to be energy independent. That comprehensive solution is what we have to have. That's not what we have yet.

Mr. RAHALL. Mr. Speaker, I yield myself 30 seconds.

I'm glad the gentleman from Alaska has returned to the floor and reclaimed managing on his part. I hope he's been back in the cloakroom speaking to his Governor, Sarah Palin, and urging her to speak with his Presidential nominee, JOHN MCCAIN, in regard to opening up ANWR, since the gentleman is so anxious to open up ANWR. I would note that his Presidential nominee is opposed opening ANWR as well.

This legislation, however, increases domestic oil production in Alaska by mandating annual lease sales in the National Petroleum Reserve which has more than 10 billion barrels of oil, more oil than the Arctic Wildlife Refuge.

Mr. Speaker, it's my honor to yield 4 minutes to a very distinguished member of our Committee on Natural Resources, the gentleman from Oklahoma (Mr. BOREN).

The SPEAKER pro tempore. The gentleman from Okmulgee is recognized for 4 minutes.

Mr. BOREN. Thank you, Mr. Speaker. We're proud that you were born in Okmulgee, Oklahoma.

Mr. Speaker, I rise today to join my colleagues in support of the Comprehensive American Energy Security and Consumer Protection Act. That's a long name. This legislation represents an investment in America's future that will reduce our dependence on foreign oil, develop our domestic energy resources, and lower energy costs for American families.

There are several reasons to support this bill. However, the most important one is that it expands the use of natural gas as a reliable energy resource for the future.

Natural gas is clean, it is efficient, it is less expensive, and as recent studies have shown, available in abundant supplies. The natural gas provisions in this bill greatly expand our Nation's domestic gas infrastructure by providing tax incentives for consumers to

install natural gas refueling stations in their homes and creating more natural gas pumps at gas stations across the United States.

In my home State of Oklahoma, we have a long and proud legacy of leadership in providing our Nation with reliable energy. The energy industry in Oklahoma is one of the largest private employers in my State, providing economic opportunity to Oklahomans and a sense of purpose in helping our Nation meet its energy needs.

In my congressional district, we have seen counties where unemployment rates stood between 10 and 15 percent year after year, now are reporting rates below 2 percent because of the energy industry. That is the type of economic prosperity that the natural gas provisions in this bill could bring to many other places across the United States.

It's been said that natural gas is the bridge that will allow us—and you see this in the Boone Pickens ads—that will allow us to reach domestic energy independence and a future of renewable energy. Mr. Speaker, the natural gas provisions in this legislation will build that bridge.

It's been an honor to work closely with my friend and colleague Representative RAHM EMANUEL to make sure that the provisions of our natural gas vehicle bill were included in this legislation.

In addition to natural gas, I'm also supportive of the expansion of coastal drilling. It is another critical step toward reducing our dependence on foreign oil and ultimately lowering gas prices.

I have long supported expanded offshore drilling, as well as drilling in ANWR and everywhere else domestic energy can be found. It is my hope that as we move forward we can work together to increase domestic drilling opportunities in future legislation.

While I support this bill before us today, I do have concerns about several provisions, including the repeal of important energy tax incentives, the increase of royalty fees, as well as the so-called use-it-or-lose-it requirement.

I also feel that the renewable electricity standard included in this bill could very well be an unrealistic mandate as it is written currently.

I look forward to working with my fellow colleagues to address these concerns in the future, but at the end of the day, I support this legislation because it represents a critical turning point in our Nation's energy future. Today is the day we begin to open our domestic drilling opportunities. It is a day when we created a new market for the benefits of natural gas and a day when we began to take action towards securing our energy independence.

Rather than viewing oil and gas companies as enemies as a lot of people on my side of the aisle do, I think they are for American progress. We must instead view them as partners in the effort to provide innovative solutions that we need.

The contents of this bill were written in the spirit of compromise, and I commend my fellow colleagues on both sides of the aisle that have dedicated their efforts to increase energy supplies in this country.

For these reasons, Mr. Speaker, I encourage my colleagues to support the final passage of this legislation.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself 30 seconds.

The gentleman from West Virginia was giving a history lesson a moment ago. We passed ANWR on this House 10 times, never got out of the Democrat Senate side because of filibuster, and Bill Clinton vetoed it. And my candidate has sort of changed his mind with his new Vice Presidential candidate, who is going to be the next Vice President of the United States, who strongly supports drilling in ANWR.

I am convinced with her great personality and her knowledge, she will be able to convince him the right way, more than we do Mr. OBAMA.

I reserve the balance of my time.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Speaker, I want to thank the ranking member from the Energy and Commerce Committee.

When President Bush lifted the Presidential moratorium on offshore oil drilling, the price of oil dropped \$12 a barrel immediately and began falling ever since.

I have said many times over our summer recess that if Congress passes an energy bill that increases the production of domestic energy, the markets will react with lower prices.

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That is the litmus test that Congress should use to determine whether we are delivering what the American people want, which is lower gas prices.

The Democrat energy bill will be received with a resounding thud on the world markets. It won't move the price of gas one cent because it provides no incentive for States to increase production offshore. Unlike the comprehensive American Energy Act, the bill that we are voting on today does not address oil shale production, lawsuit reform, environmental ESA reform, streamlining nuclear energy processes, coal-to-liquid technology, increasing refinery capacity, or opening ANWR. However, the bill does include a draw-down of our Strategic Petroleum Reserve, the fraudulent use-it-or-use-it legislation, and the extremely costly renewable energy mandate.

Over the next 20 years, U.S. oil consumption is projected to grow even after factoring in a projected 26 percent increase in renewable energy supply and 29 percent increase in efficiency. Unless we look for and develop new U.S. reserves, reliance on foreign sources of oil—already over 60 percent—will continue to rise. OPEC will continue to manipulate production levels and prices.

Ladies and gentlemen, it's time to support the American Energy Act.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the distinguished gentlelady from Pennsylvania, a member of the Ways and Means Committee, Ms. SCHWARTZ.

Ms. SCHWARTZ. Mr. Speaker, I rise in support of the Comprehensive American Energy Security and Consumer Protection Act.

The United States consumes 25 percent of the world's oil, yet only holds 2 percent of the world's oil reserve. The fact is that we cannot simply drill our way out of this energy crisis, but that's exactly what Republicans would lead you to believe, that drilling is the answer. But it is simply shortsighted, misleading, and wrong.

We can drill responsibly, but lower gas prices and energy independence require immediate and significant investments in American innovation in alternative fuels, investments in renewable energy technology, and in energy efficiency.

The Republicans say that they want an all-of-the-above plan. Well, that's exactly what we have before us today. This proposal is a 21st-century energy plan that spurs innovation, puts the Nation on a path to energy independence, and lowers gas prices for American families and American businesses.

It will expand renewable energy production and improve energy efficiency through \$18 billion in tax incentives paid for by repealing subsidies to the oil industry. It will promote conservation by encouraging the construction of commercial buildings that are 50 percent more energy efficient. It will increase domestic production of traditional energy sources by allowing new offshore drilling. And it will create hundreds of thousands of new high-quality, good-paying American jobs.

This plan is a stark contrast to the Republicans' drill-only mantra. If my colleagues on the other side of the aisle want to vote for an all-of-the-above approach, this is their chance. Vote for a uniquely American solution to our security and to America's energy future.

Mr. BARTON of Texas. Mr. Speaker, may I inquire as to how much time I have remaining.

The SPEAKER pro tempore. The gentleman from Texas has 11 minutes remaining. The gentleman from Alaska, 60½; 64½ for the gentleman from West Virginia.

Mr. BARTON of Texas. Mr. Speaker, at this time, I would like to reserve the balance of my time and yield back control of the Republican time to the distinguished ranking member of the Resources Committee, Mr. YOUNG.

Mr. YOUNG of Alaska. Mr. Speaker, at this time, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, this is a gas receipt. All of us have seen our constituents give us these gas receipts. This is for \$89. It's what Boone Pickens says is the largest transfer of wealth in the history of the world.

Now I'm going to show you where that money is going. A lot of it is going to Dubai. Dubai, they're our allies. If you had gone to Dubai before the cost of gasoline went up, you would have seen this picture. This is the main street in Dubai, a dirt road; and the only thing higher than two stories was a mosque.

Now let me show you Dubai today. That's where the infrastructure is being built. It's not in the United States. There are more construction cranes in Dubai than there are in the United States, 25 percent of them in the world.

Now here's my point: Do you know what Dubai is doing? Do you know what Abu Dhabi—do you know what the United Emirates are doing at this very moment? They are building or plan to build 14 nuclear power plants. They're building nuclear power plants. They're going to generate their electricity exclusively from nuclear power. Why? Because we don't get it; they get it. They're going to sell oil to us because we're not going to develop nuclear power. China is building 30. India is building 17.

This bill doesn't get it. Senator OBAMA, Senator BIDEN, they're opposed to nuclear power. They're not doing what the oil-rich Arabs are doing. Thank goodness Senator MCCAIN and Governor Palin, they get it. The Republicans get it. This bill has no nuclear power in it. This bill is not going to stop the largest transfer of wealth in the history of the world. You can't do it without nuclear power.

Let's come back with a real energy solution. And I say to my friends on the other side of the aisle, your bill doesn't get it. Dubai and Abu Dhabi will continue to build their nuclear power plants; we will build none.

And energy is the number one factor in manufacturing. We're going to lose our manufacturing. They're going to get it because they get it and you don't.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the distinguished gentlelady from Nevada, Ms. SHELLEY BERKLEY.

Ms. BERKLEY. Before I give my prepared remarks, I'd like to say that one of the reasons that I am so supportive of the Democratic proposal is because it does not have nuclear energy reliance which has a nuclear waste problem that no one has been able to solve.

Mr. Speaker, I rise today in support of this important legislation which will help our Nation move towards a cleaner, more sustainable energy future.

This bill provides necessary tax incentives for electricity produced from renewable resources, including wind, solar and geothermal. These incentives will provide badly needed assistance to clean renewable energy companies in my home State of Nevada and throughout the country that are working to diversify our Nation's energy portfolio and clean up our environment.

Power from the sun and wind and geothermal are unlimited. And these



entrepreneurs are ready to build and expand our renewable energy resources as soon as we in Congress give them the tools they need to move forward.

Energy independence is not just an environmental issue or an economic issue, it's a national security imperative. We pay exorbitant prices for oil from countries like Venezuela and Saudi Arabia, who support and finance terrorism and terrorist attacks on America and our allies. We must stop funding both sides of this war on terror. By encouraging the development of renewable energy and energy independence, this bill helps move this country in the right direction.

Our Nation has only 3 percent of the world's oil reserves, and yet our energy future is being held up on the fantasy that we can drill our way out of our energy problems.

Mr. Speaker, we need to move ahead and grow our clean energy resources instead of relying on old 20th-century technologies like nuclear, that is not clean or safe or inexpensive, or industries like oil that pollute our air and contribute to global warming to satisfy our Nation's energy needs.

Let's invest in our energy future by supporting this good piece of legislation.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentlelady from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. I thank the gentleman for yielding.

Mr. Speaker, I rise today to address the false choice being offered to America on the House floor today.

Despite months of pleas from the American people, the Democrat leadership of this House is still trying to dodge the issue of real energy reform.

We can't expect this country to break its addiction to foreign oil if we continue to address only half the problem. But that's exactly what this bill does. It includes numerous provisions aimed at boosting conservation. I support them. In fact, I'm the lead Republican cosponsor on a bill that closely mirrors a section of this legislation dealing with clean buildings. I'm also a strong supporter of the development and deployment of renewable and alternative energy technologies like hydrogen, cellulosic ethanol, geothermal, solar and wind. But to call this bill we're considering today a comprehensive energy solution is just plain wrong.

Some on the other side of the aisle would have us believe that this bill will open new areas of the Outer Continental Shelf to offshore exploration. Instead, it discourages States from allowing drilling off their shores. By not allowing States to share in the royalties from offshore oil and natural gas exploration, we virtually guarantee that no State would permit production off its coast.

In addition, it includes no new refinery capacity, no clean coal, and zero nuclear energy. In my home State of Illinois, we rely on nuclear power for 50

percent of our energy needs. It's safe, carbon-free, and could provide sustainable domestic energy for decades to come. Scientists at our national labs have developed new reprocessing technologies that will allow us to reburn spent nuclear fuel, vastly reducing the toxicity and the volume of waste. With this new process, we can solve the waste problem.

Does anything in this bill take advantage of the advances we have made in nuclear power? No. Instead, the bill includes a renewable energy mandate that will raise energy costs for consumers who live in States like Illinois that rely heavily on clean nuclear power.

Mr. Speaker, we can do better. Let's work together on the all-of-the-above energy package that embraces long-term energy solutions while also boosting production and conservation to provide near-term relief at the pump.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the distinguished gentlelady from California, Ms. ANNA ESHOO.

Ms. ESHOO. I thank the distinguished chairman of the committee.

Mr. Speaker, I rise today in support of H.R. 6899, the Comprehensive American Energy Security and Consumer Protection Act of 2008.

As the title of the bill makes clear, there is no greater threat to our economic or our national security than our dependence on fossil fuels. Our Nation is acknowledging something, and that is that we have an addiction to oil and that we are so totally dependent upon it. And who benefits from this addiction? Iran, Venezuela, Russia, rogue regimes. And they are all getting rich off our reliance on a 19th-century energy source. Today, we have an opportunity to strike a blow to some of the most dangerous regimes and promote American economic and American national security. And that's what this bill represents.

The simplistic and unconditional "drill here, drill now" rhetoric is not a real response to these challenges. It really falls short of what some of the great leaders of our Nation put forward at another time during the history of our country.

We have to lift ourselves up to end this dangerous addiction by developing renewable energy sources and become energy efficient. Solar panels, electric cars, fuel cells, efficient data centers and green buildings are all being developed by innovators in my congressional district in Silicon Valley. With these technologies, we can export energy to the world instead of being an importer of fossil fuels.

This bill is fully paid for—and I think my Republican friends need to listen up to this—by rolling back needless subsidies to the oil companies, and will develop a renewable energy industry, will create American jobs, will increase production, and will motivate investments in renewable energy through tax credits.

Oil is a necessary source in the near term, and the bill provides for responsible drilling. I think we need to protect our precious coastal regions. And with the offshore oil drilling moratorium expiring in a few weeks, our coast will be open to new leases.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. RAHALL. I yield the gentlelady an additional 30 seconds.

Ms. ESHOO. No one wants oil rigs sitting three miles off our coasts; my constituents don't, maybe some others do. But that's why this bill protects 50 miles off of all of our coasts and gives the States the right to review to opt in or not.

This bill is all about the future. Some, placing our country at risk, will choose the past, to stay with the past and to remain addicted.

This bill is a pathway to the future. I'm proud to support it, and I urge my colleagues to do the same.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members not to traffic the well while another Member is under recognition.

□ 1800

Mr. SALI. I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, this bill is all about the future. It's about protecting the Democrat incumbents to make sure they get reelected. This should be called "The Protect Congressmen and Congresswomen Bill." We're bringing this bill to the floor at the 11th hour just before we adjourn for this year, unless we have a special session. They know full well this bill is not going to get through the Senate. So we're not doing anything. This is window dressing.

We have a severe problem in this country, and they're doing nothing but creating a facade so the American people will think they're doing something when they're not. This bill will not do anything to help people with the price they are paying for food, gasoline, clothes or anything else that is transported by diesel or gasoline. It's not going to do anything because it's not going to go anywhere.

In addition to that, this bill has no nuclear, no clean coal, no refineries and no revenue sharing with the States. So if a State says they want to drill off the coast 50 or 100 miles, which is a long way and it's going to be really deep, they are not going to do it unless they're going to get something back, some revenue back. Why else would they do it? So this bill is really a facade because it's not going to encourage the States to allow drilling off their coast because they don't get anything for it. This bill increases taxes on the oil companies. It's going to discourage further exploration and further drilling.

This bill is something that the American people ought to know is a fraud. It is not going anywhere. It's not going to

solve the gasoline crisis problem. It's not going to solve the energy problem. But it's going to help reelect some of the Democrats because they have heard from their constituents when they went home, you have to do something about the energy problem. You have to drill here in America. You have to pass a bill. So they're going to pass a bill. But this bill is not going to do anything. It's going to accomplish nothing. It's not going to get through the Senate. And we're going to be in the same situation 6 months from now because they will not move a real energy bill.

There was a bipartisan bill that Mr. ABERCROMBIE of Hawaii and Mr. PETERSON of Pennsylvania sponsored. I was a cosponsor of that bill. It had all kinds of compromises in it. But it dealt with the energy crisis. They don't want that bill. The Speaker doesn't want that bill. And they're not going to do a darn thing, and the American people ought to know.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon, a valued member of our Committee on Natural Resources, Mr. DEFAZIO.

Mr. DEFAZIO. I thank the gentleman.

The oil and gas industry contributed \$166 million to the Republicans since 1990, 75 percent of their political contributions. Fact: When President Bush took office, gas cost \$1.47 a gallon. Today gas costs \$3.79 a gallon in my district. Fact: In 2002, the oil companies made \$30 billion in profits. In 2008, it's projected they will make an unbelievable record \$160 billion in profits, every penny of that extracted from American consumers and American small businesses and borrowed from overseas, putting us in huge trouble.

The oil companies took care of their Republican cronies and the Republicans legislated on their behalf. When they controlled everything, the House, the White House and the Senate, they passed the so-called energy bill. It took them 5 years to write it. And they passed it. We're living with the consequences, which is the huge increase in profits and the huge increase in prices to consumers.

The choice is clear. Do we pass a bill written by Democrats who are not beholden to Big Oil, or do we pass another Republican bill, those who legislated this mess in the first place? Do we break our dependence on fossil fuels and mandate renewal energy, or do we ignore the ravages of global warming, drill, dig, burn and borrow our Nation to debt and dust?

Today I will vote for energy independence, sustainability and affordable energy prices. Many of my Republican colleagues will vote yet again for bigger oil company profits. Congratulations to the Grand Old Oil Party. They're very consistent.

Mr. SALLI. I yield 2 minutes to the gentleman from Colorado (Mr. LAMBORN).

Mr. LAMBORN. Mr. Speaker, I rise today as my colleagues across the aisle

try to deceive the American people with this none-of-the-above, no energy plan. H.R. 6899, the Democrat energy bill, does nothing to address lawsuits from radical environmentalists, which means that leases will be tied up in court for years. It allows no drilling within 50 miles of American shores. This alone rules out most of the promising areas in the Gulf of Mexico. It gives no revenue sharing to States that allow offshore drilling. This bill would actually cost these States money. States will have no incentive to allow drilling from 50 to 100 miles. It imposes tax increases on oil companies right when they need to invest in new development. These tax hikes will be passed on to consumers and will raise the price of gasoline and home heating oil. It does nothing to promote oil shale, nuclear power, clean coal, new refineries or Alaskan oil.

I am concerned about using oil shale in particular, being from Colorado. According to estimates, there are 1.23 trillion barrels of oil in oil shale deposits just in government-owned lands. This legislation does not provide a solution that advances oil shale development. It is estimated that access to this American supply of energy could supply American domestic gasoline needs for 200 years.

In essence, the Democrat bill does not open up offshore drilling as it purports to do. It makes no progress on other major sources of energy. And it actually raises the cost of oil and gas through tax hikes and raises the cost of electricity through its renewable energy standards. This bill is not just a sham and a fraud, though it is that. It will actually damage our economy. It will kill jobs, and it threatens our economic future as a country.

Mr. RAHALL. Mr. Speaker, just to remind the previous gentleman, he ought to read the bill because there is a State opt-in for oil shale leasing, including in his own State.

I yield 2 minutes to the gentleman from Pennsylvania (Mr. ALTMIRE) who has been a real stalwart in helping us develop this comprehensive energy bill.

Mr. ALTMIRE. My friends on the other side of the aisle, those who stood in this darkened House Chamber for weeks asking Congress to return to vote on a drilling bill, will bemoan the fact that this bill is not identical to their bill, but no one in this House, Republican or Democrat, got everything in this bill that they wanted. Every one of us could find something we would like to take out, something that was left out that we would like to put in, or language that we would like to change. But that is how the legislative process works. The finished product is a result of give-and-take compromise put together in a way that can pass by majority vote. That is what we're here for, right? To pass an energy bill.

But the truth is, Mr. Speaker, those on the other side have been a part of this process. For months, we've heard their cries of "drill here, drill now."

For months they have talked of nothing else. So here we are today taking up a bill that triples the territory that is available for offshore drilling. And during the 6 years the Republicans held control of both Congress and the White House, they had the chance to write the bill exactly as they wanted. And during those 6 years, they did nothing to reduce our dependence on foreign oil and nothing to advance their "drill, baby, drill" war chant. For 6 years the American people watched and waited for the Republicans to act but got nothing in return.

So now it's our turn, and today we will pass a bill to expand offshore drilling. So to my Republican colleagues, I say their voices have been heard. Their views have been included. And they should take "yes" for an answer.

Mr. SALLI. I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. I thank the gentleman. My colleague on the other side just said nobody got everything they wanted out of this bill. The reality is nobody gets anything out of this bill. Nobody gets anything out of this bill except the environmental groups who will sue to block all oil production. The reality is we are legislating to solve a crisis that we created. It was the Congress at the urging of environmental groups that blocked Outer Continental Shelf drilling. It was the Congress that blocked drilling in the Inter-Mountain West. It was the Congress that blocked drilling in Alaska.

Do you know what that has done? That has cost Americans jobs. That has cost the people in my district their chance to earn a livelihood because we locked that all up. Are we opening it up today? Is my colleague right that this is a compromise? Absolutely not. We are not opening up one single square inch of drilling. Let me make it clear. The Sierra Club said "we are working very hard on this bill to ensure that its focus is not expanded offshore drilling." Mr. MURTHA, a close friend of Speaker PELOSI, said, he admitted that, this is a political month. Last Wednesday, he said that there are all kinds of things we are going to try to do that will go away after we leave.

They don't plan to produce oil under this bill. It's just talk. The legislative director of the radical Natural Resources Defense Council acknowledged the same thing about the Democrats' ploy: "This is about politics, not necessarily about policy." Democrats know that not a drop of oil will be produced because lawyers will file lawsuits stopping every single one. Let me make the point: The administration last year issued 487 leases in the Chukchi Sea. Environmental groups sued to stop and have stopped all 487.

The administration has a total of 748 leases in the Chukchi Sea and Beaufort Sea. How many lawsuits have been filed and how many leases have been challenged in lawsuits? All 748. Various oil companies in February of 2007 filed

exploration plans for 12 separate leases in the Beaufort Sea. How many of the 12 have been challenged? Every single one. The BLM in New Mexico offered for sale 78 leases in New Mexico, Kansas, Oklahoma and Texas. How many have been sued? Every single one.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. SALI. I yield the gentleman 30 additional seconds.

Mr. SHADEGG. The truth is this problem could be easily solved. If my Democrat colleagues were genuine about wanting to create American jobs, about putting Americans to work and about getting off our dependence on foreign oil, then put reasonable language in the bill that limits lawsuits. We can allow lawsuits. But they don't have to be dilatory. They don't have to be such that no oil will ever be produced.

Sadly, the Speaker called our efforts to produce a hoax. If you don't fill the litigation loophole in this bill, this bill is a hoax. And it's not nice to fool the American people, to tell them you're doing something when you know you're not doing anything.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. PERLMUTTER).

Mr. PERLMUTTER. Thank you, Mr. RAHALL, for bringing this bill to the floor, building this bill and spending a lot of time over the last 2 months to bring a compromise piece of legislation. And I want to focus first of all on the part of the bill that Mrs. BIGGERT was talking about, which is the Green Resources for Energy Efficient Neighborhoods (Green Act), which is a bipartisan section of this bill designed to make housing, commercial and industrial properties more energy efficient.

Now, how anybody on your side of the aisle could complain about energy efficiency is way beyond me because a barrel of oil saved is a barrel of oil earned, a Btu saved is a Btu earned, and how anybody could complain about that section of the bill, which Mrs. BIGGERT didn't, is beyond belief. She is a cosponsor of the Green Act out of Financial Services. But it creates a green mortgage market, it upgrades 50,000 units of HUD to energy efficient standards. We've seen and heard in our committee that HUD's utility costs have gone from \$3.5 billion 4 years ago to \$4.6 billion this year. We need to come up with different ways to power our country and be more efficient in how we do that. So there are all sorts of energy efficient measures that are a bipartisan portion of this bill.

But my friends on the Republican side of the aisle want to come up with the same old complaints, the same old arguments, the same old answers and the same old results. And it's all about oil. The problem is if we're addicted to one commodity, one fuel that is controlled by eight countries and five oil companies, we're going to have these problems all the time.

And I would like to say that our friends had the opportunity several years ago to come up with their energy bill. And the Majority Leader at that time, JOHN BOEHNER, said the GOP energy bill would bring down prices. He said, "So what is being done to bring gas prices down? The Energy Policy Act of 2005 is a balanced bipartisan bill that will ultimately lower energy prices for consumers and spur our economy." (8/19/05).

It couldn't be farther from the truth. Gas prices have just gone up, so we've got to have a comprehensive approach. It can't just be about oil, although this bill does expand domestic production by a lot.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. RAHALL. I yield the gentleman an additional 30 seconds.

□ 1815

Mr. PERLMUTTER. We have all sorts of opportunities for additional drilling, offshore and onshore. And my friend from Colorado couldn't have been further from the truth when he said there was nothing in there about oil shale. Oil shale is part of the opt-in process here.

This is a comprehensive bill that includes coal, includes renewables, includes energy efficiency, includes domestic production. This is the kind of thing that we need to break ourselves from the dependence upon oil from foreign countries. But with two oil men in the White House, what would you expect about gas prices? Gas prices are going straight up, and that is just what the Grand Old Party wants.

Mr. SALI. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. MCCRERY), the ranking member on the Ways and Means Committee.

Mr. MCCRERY. Mr. Speaker, I just want to say in response to the last speaker for the majority that the energy bill that he derided that we passed on a bipartisan basis in 2005 is basically included in this bill. You take the same tax provisions, for example, that we had in that bill and you just renew them. So the bill that we did in 2005 wasn't bad, evidently, because you have embraced it. It is just that it wasn't enough.

Now, finally, I think the country and people around the country understand the importance of not only preparing for the future, which admittedly we have to do, but in 2005 when we said ultimately that bill will lead to lower prices, we think it will, once we get alternative fuels on the market. But we have to develop those. We provided incentives in that bill, as you do in this bill, to generate activity in those alternative fuel sectors. But what we also need and what the country has come to embrace now I think is more domestic oil and gas production to bridge us to that future.

We are not there yet. This bill, unfortunately, doesn't provide that bridge.

It is advertised as such, but I would submit that it is false advertising.

This legislation, produced unfortunately in secret by the majority and released just late last night, is a sham. It permanently locks up large portions of the Outer Continental Shelf, putting it off-limits to oil and gas producers, meaning that any claims that this bill will help promote energy security, certainly in the short-term, and by that I mean for the next 20 or 30 years, is just not the case.

Moreover, in what surely must go down as one of the biggest bait-and-switches in legislative history, the majority claims to open up some areas far offshore for production, but only if the States agree, only if the States opt in, and then it is only a few States. And to try to sour that deal, this bill removes the typical revenue sharing that would go to that State, in effect eliminating a major financial reason for States to allow drilling off their shores.

Because of this omission in the bill, even my senior Senator, who is a Democrat, sees the foolishness of this bill's approach. She is quoted in the New Orleans paper as saying in reference to this bill that is on the floor right now, "It most certainly won't see the light of day in the Senate." That is because of the omission of the revenue sharing in this bill. What she means is it won't see the light of day in the Senate because they know on a bipartisan basis in the Senate that this bill won't produce any more offshore drilling because States won't opt in if there is no revenue sharing for this bill.

So, Mr. Speaker, I urge this House to do an all-of-the-above bill on energy, and not a none-of-the-above bill, like this bill represents.

Mr. RAHALL. Mr. Speaker, I yield myself 1 minute.

The gentleman from Louisiana has just described the revenue program as "typical" and that we are doing away with the "typical revenue sharing." I would remind my colleagues, that is not an accurate statement.

The OCS Lands Lease Act passed in 1954 had zero revenue sharing in it. Zero revenue sharing. It was only in 2006 when this Congress passed revenue sharing to allow four States to share in that money, due to hurricane relief, those four States being Texas, Louisiana, Mississippi and Alabama. Revenue sharing was a one-shot deal.

So for the gentleman from Louisiana to describe it as typical, and many on that side have attacked this bill because there is no revenue sharing, a bribe to the States, if you will, to opt in, is just not an accurate description of this legislation. Revenue sharing has never been typical of leasing and the Outer Continental Shelf.

Mr. MCCRERY. Will the gentleman yield?

Mr. RAHALL. I will yield.

Mr. MCCRERY. Thank you. You are right with respect to offshore drilling, and I think that has been an unfortunate omission throughout the years, and we have corrected that recently.

Mr. RAHALL. Reclaiming my time, it was a one-shot correction due to hurricane relief, Katrina.

Mr. MCCRERY. That was the bridge that got us there. But certainly with respect to onshore production on Federal lands, there typically has been revenue sharing, is that correct?

Mr. RAHALL. Onshore, yes. We are talking about the Outer Continental Shelf here. You said OCS.

Mr. MCCRERY. For the same reasons, we should have revenue sharing for offshore.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida (Mr. KLEIN).

Mr. KLEIN of Florida. I thank the chairman.

I rise to support the Comprehensive American Energy Security and Consumer Protection Act. This bill is a real comprehensive energy solution, one that will bring down gas prices in the short-term and, most importantly, end our national addiction to oil in the long-term.

This is the energy plan that Americans have been waiting for since the oil embargo of 1973. The sooner we take oil out of the equation, the better it will be for our economy and our national security.

This legislation has the potential to dramatically reduce gas prices and set our country on a path to energy independence with real investment in clean technologies and provide tax breaks for individuals and businesses which make smart energy choices.

In this package we treat oil as a transition to the innovative technologies of the future, but it is only a transition. Congress has finally learned through the American people that we cannot continue to feed our oil addiction and remain competitive in a global economy.

This package opens up new parts of the Outer Continental Shelf for drilling, 85 percent of it, and it also includes the drill-it-or-lose-it provision that I have supported. This basically says that Congress is telling the oil companies that they must drill on the land or offshore areas that they already control, or step aside and let someone else drill on that area.

I have always believed that most Americans believe that that ingenuity that put a man on the Moon can and will solve our energy crisis, and this package provides the necessary incentives for our scientists, researchers and entrepreneurs to perfect the next generation of clean, affordable energy sources. America is well ahead of the Bush administration on energy policy, and is more than ready to embrace this comprehensive energy plan.

Mr. SALI. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, Carl Pope, the executive director of the Sierra Club, was quoted as saying, "We are better off without cheap gas." Well, maybe the wealthy members of the Si-

erra Club aren't hurt by \$4 gasoline and gasoline that will go much higher if we don't increase production, but many middle and lower income Americans are hurt by this, and we can't let radicals just put all types of energy production off-limits in this Nation if we are going to remain viable economically and not shut this country down from an economic standpoint.

This bill has been described by several people as a hoax bill. The hoax bill that we are considering now claims to lift the congressional moratorium on offshore drilling. In reality, it would keep 85 to 88 percent of offshore oil production off-limits and really allow drill only where there is very little oil and oil that is very expensive to get.

The hoax bill that claims to be a consumer protection act would raise taxes on oil companies by \$17.7 billion. Well, who do you think pays these taxes? The consumer does, that is who. So the hoax bill protects consumers by passing on billions of new taxes to them.

The hoax bill allows States to opt in by allowing oil drilling, but does not allow States to share in the revenue. That is giving States no incentive to allow for this drilling.

The hoax bill does not even open up the 19.8 million acre Arctic National Wildlife Refuge where billions of barrels of oil could be produced. This is an area, Mr. Speaker, 36 times the size of the Great Smoky Mountains National Park, where over 9 million people visit each year. Only a few hundred visit ANWR, and where they want to drill is a frozen tundra, millions of acres without a tree or bush on it. I have been there twice. They want to drill on only 2,000 or 3,000 acres out of these 19.8 million acres.

We passed this 12 years ago, but President Clinton vetoed it, thus stopping a million barrels a day for the U.S. every day since then. We were told then and several times since then that allowing more drilling wouldn't help immediately. But we said it would in a few years.

If the Republicans in Congress had their way, we never would have seen \$4 a gallon gas. Now Republicans have bills that are not hoax bills and that would do something for the middle and lower income people of this country.

Mr. Speaker, finally, if we are ever going to lower the cost of gas and other forms of energy, we need to restore government of, by and for the people, and not government of, by and for wealthy environmentalists.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would again remind Members not to traverse the well while another Member is under recognition.

Mr. RAHALL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maryland (Mr. VAN HOLLEN).

Mr. VAN HOLLEN. I thank the chairman for his leadership.

Today we have arrived at a moment of truth on energy policy in this body.

For weeks, our Republican colleagues have claimed they want a comprehensive piece of legislation, an all-of-the-above piece of legislation when it comes to energy policy. Now we have just such an initiative before us on the floor of this House, and they won't take "yes" for an answer.

It turns out that they want all of the above with a big asterisk next to it. It turns out it is all of the above, except let's not take away some of the taxpayer giveaways and subsidies to the big oil and gas companies and use those moneys instead for renewable energy and energy efficiency.

I think the American people know what a cozy relationship there has been between the Bush White House and Big Oil. I think last week we learned just how cozy that was between the Bush Department of the Interior and the oil industry.

This bill does two main things. First of all, it greatly expands opportunities for responsible offshore drilling in our country, and uses the royalties and proceeds from those drilling operations to invest in renewable energy and energy efficiency.

But let's not try and fool the American people. The Department of Energy has made it clear that even if you drilled on every square inch of this country today, you wouldn't see a drop in price of gas at the pump for a very long time and the price impact would be minimal. Why? The United States has 3 percent of the world's oil reserves and guzzles 25 percent of the world's oil.

You cannot drill your way to energy independence, which is why we have the second part of this bill, which is a huge increase in renewable energy and energy efficiency, why we establish a national 15 percent renewable energy standard by 2020. That is why we redirect the subsidies away from the oil and gas industry, who are making record profits, and invest that money instead in renewable energy and energy efficiency.

It is too bad that in listening to the debate today, that our Republican colleagues will not cease this opportunity to move forward together on what is a comprehensive plan. It is too bad that they refuse to break that connection with the oil and gas industry as a result of the provisions in this bill that say let's redirect those subsidies.

This is a serious challenge that our country is facing. This is a serious proposal that is put forth to bridge the differences and try to move forward together on an important piece of legislation for the American people. It is unfortunate, just listening to the debate, that some of our colleagues want so badly to have a political issue to take to this election that they refuse to come together as one in this body to actually get something real done.

Mr. Speaker, the American people deserve better than that. They deserve a piece of legislation that will move us forward on this very important issue.

They deserve for this House to support this bill.

Mr. SALI. Mr. Speaker, may I inquire as to the time remaining for each side.

The SPEAKER pro tempore. The gentleman has 56 minutes remaining, and the gentleman from West Virginia has 48 minutes remaining.

Mr. SALI. I yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, I rise to oppose the Democrat energy bill, the Comprehensive American Energy Act.

I have enormous respect for the gentleman from Maryland. This is a serious issue. The American people are hurting. Gasoline prices in eastern Indiana in 6 hours on Saturday went from \$3.79 a gallon to \$4.29 a gallon. They expect this Congress to come together. Where I respectfully disagree with my colleague from Maryland is this is a serious issue, but this is not a serious proposal.

□ 1830

A serious proposal is considered in committees. A serious proposal is the subject of hearings. A serious proposal is the subject of more than a half a day of debate on this floor. A serious proposal gives consideration to all the Members of this Congress through the amendment process.

The truth of the matter is this Congress is coming to this point, because after 20 months of the Democrat majority refusing to bring a vote to the floor to allow more domestic drilling, House Republicans took this floor in the month of August, and we held it. We demanded an energy bill, a comprehensive bill that said "yes" to fuel efficiency, "yes" to conservation, "yes" to solar, wind, and nuclear, and, "yes" to more domestic drilling.

The Democratic majority, the drill-nothing Congress, cried "uncle," and it brings us to this day. But I would suggest to my countrymen, as you hear again and again, that Republicans are refusing to take yes for an answer. Read the fine print.

Reality is that this is no longer a drill-nothing Congress; it's a drill almost-nothing Congress. They say "yes" to drilling in this bill, but not in Alaska, not in the eastern coast and not within 50 miles. They say "yes" to drilling, but States can decide whether we do it or not, and they won't get a single penny from revenues for allowing drilling off their shores. I guess we are just going to rely on the goodness of our States' hearts to open up their shorelines to more drilling.

They say "yes" to drilling, but litigation rules will allow environmental lawyers to tie up the leases from the very day they are filed. I say to my House Democrat colleagues, from my heart, don't do this.

Daniel Webster said it a century ago, and it's chiseled on the wall. Let us develop the resources of our land and call

forth its power, and let us do something worthy to be remembered.

We can do better than this. We can pass a bipartisan comprehensive energy bill, and I urge my colleagues to do that.

Mr. RAHALL. Mr. Speaker, God forbid, that this bill be known as a drill here, drill now, drill everywhere, drill irresponsibly piece of legislation.

I yield 1 minute to the distinguished majority leader, a gentleman who has done yeoman's work in bringing this together as a caucus on this legislation, and I salute his knowledge and expertise in developing this legislation, Mr. HOYER.

Mr. HOYER. I thank the gentleman for yielding.

This is a serious issue, and there are a lot of related issues.

The gentleman who spoke before me, and I have a great deal of respect and affection for him, we treat one another with respect. We put a price-gouging bill on the floor because we were concerned about the spikes in pricing. Indeed, we saw, as Ike was coming and bearing down on Texas, before it ever got to the shoreline, there were \$5 per gallon prices, before it ever got to the shoreline, before it ever destroyed anything.

My friend voted against the price-gouging bill.

These are serious pieces of legislation. The Republicans were in charge of the House for 6 years. In 2001, 2002, 2003, 2004, 2005, and 2006, they controlled the White House.

I have in my hand the eight pages that the administration, Mr. Bush, has submitted to us, President Bush submitted to us, over the last 8 years. Six of those years they were included in the appropriations bills passed by the Republican Congress and Republican Senate and signed by a Republican President.

In each of those bills, the administration asked to continue the moratoria on drilling, every one of them, passed for 6 years by your Congress. We didn't have the votes to pass anything.

Then we took over the control, because the Congress was fed up, frankly, with a complacent, do-nothing Congress, complicit in moving in the wrong direction, which 82 percent of America thinks we are now on, the wrong direction.

This Congress has mightily tried to change direction, and, in fact, we have in many areas, including a comprehensive energy bill last year that the President signed. Sam Bodman said it was a great bill, the Secretary of Energy. It passed in a bipartisan fashion in both the Senate and the House.

President Bush, in last year, fiscal year 2008, submitted a budget document, he submitted it, which said, the moratoria should continue. This year, the President submitted a bill, for the 2009 fiscal year, which said the moratoria should continue.

So these crocodile tears about how Democrats have taken over and all of a

sudden gas prices have spiked, you give us far more credit than we deserve in light of not being able to override the President's veto on almost anything that he didn't want. He signed some things that he didn't want like the minimum wage. He signed some things he said he wasn't going to sign, like the GI Bill. He signed some things that we passed through the House and Senate.

But these crocodile tears are unwarranted by your record, and by the submissions of the budgets, by your President, for 8 years running. Now, a couple of months ago, the moratoria which was put on by George Bush, his father, was lifted. Why? Because our constituents are hurting. Why? Because we are being held up by those who are selling oil. Why? Because the market is being manipulated and speculators are impacting on price.

You think that's not the case, or do you think all of a sudden demand went down by a third, so it went from \$146 down to \$92 today, within just a few months. Who believes the free market operates in a way that demand spikes for oil that much in a 90-day period? Nobody on this floor who is rational believes that.

Something is rotten in my home of Denmark. And, actually, it's not rotten in Denmark; it's rotten someplace, though. Mr. ABERCROMBIE is going to speak on behalf of this bill, as he met with Mr. PETERSON and tried to come together.

Originally this bill, the gang of 20 in the Senate, which apparently you don't like, because they are undermining the drill, drill, drill political advantage that you have sought, the 20 said let's deal with four States. We are saying let's deal with every State. We do say with sensitivity, as the previous speaker said about his State, States are going to have the opportunity to make a determination as to whether they want to proceed.

Now, you could argue that that shouldn't be the case, because, after all, that's Federal. It's not State property, you get that far out.

We have done a lot of work. We have done a lot of work in trying to work across this spectrum. I want to congratulate Mr. RAHALL and Mr. GREEN and others who have worked so hard to try to bring us together.

I will tell my friend, we do deal with oil shale in this bill. In your bill, you repeal a section which had caused a problem. We repealed that as well, so your bill and our bill did the same thing on that. Furthermore, we said three States that have substantial oil shale ought to have the same opportunity that the coastal States have to opt in to develop that.

Whether the technology is available now, I don't know. In part, I believe the arguments used on this floor, which I will say as an aside, I think was a misuse of this floor. But notwithstanding that, arguments that were made day after day after day were not

accurate, and you knew they were not accurate, which is why it made it so difficult to respond to.

None of you ever mentioned the fact that the President of the United States, George Bush, submitted, months ago and 7 years prior to that, and you passed 6 years in a row, on your watch, the moratoria, of which you now wring your hands.

All of us are concerned. All through the summer and into the fall Americans have been filling up their cars at record prices in my district and every district, \$60, \$80, \$100 a tank and looking for Washington to help, to see what we could do about it. We are trying to do something about it.

Now, you passed an energy bill in 2005. Your Speaker, Mr. Hastert, your majority leader or now minority leader, Mr. BOEHNER, and my good friend, your whip, said to us, and I won't quote them all at length but I will quote your Speaker, Americans need this bill—your energy bill passed in 2005—to lower their energy prices, to drive economic growth and job creation, and to promote greater energy independence. That's what you said your bill was going to do.

You also said, of course, in 2001, that we were going to have the greatest economy we would ever have seen if we passed your economic improvement program. I doubt that any American believes that you accomplished that objective. You passed your bill, the President signed it. Just a short number of months later prices went from \$1.46, when you took over, to over \$4.20.

If it was a successful energy program, it was a successful energy program in driving up the price of gasoline for all of our consumers. To see what we could do about this we met, we talked to Mr. ABERCROMBIE, we talked to Mr. PETERSON to try to bring our caucus together. It was a diverse caucus. A lot of people felt President Bush was right, those 8 years that he submitted those bills and that you passed 6 years you were in charge.

To relieve the strain on their budgets and their families, not 10 years from now but now, today, I am sure you are wondering whether we will throw up our hands on the work of compromise and retreat into finger pointing. I think we can do better than that on both sides.

Both of us want to make sure that we bring prices down, and both sides of the aisle want to see energy independence. We can pass this bill, the Comprehensive American Energy Security and Consumer Protection Act. You say it's not perfect. Many Members on our side say it is not perfect, but it is a very significant step and a very significant expansion of where oil could be found.

I would reiterate, there are 68 million acres right now, right now, as I stand here, that could be drilled upon right now without any further legislation, regulation or administrative action.

This legislation, this bold step towards a comprehensive energy policy,

is worthy of the 21st century. Lower gas prices today, American oil and natural gas for the years to come, that's what this bill promises and will provide, and serious investment in a new generation of energy technologies for a cleaner, more secure energy future. It's all here, and we are all going on record this evening.

Here is what the energy package is going to accomplish. First, we are going to drill for more oil and gas here at home. That's what Americans have said. Use our resources. Don't rely on the Middle East. Don't rely on Venezuela. Don't rely on Russia. Certainly, don't rely on Iran. Drill here.

We have both said all along, we put a bill on the floor, drill responsibly in presently leased land, that Mr. RAHALL led. Most of you, many of you voted against it. For many of my colleagues, I know that drilling is the most contentious part of this compromise, but we have worked hard to find common ground.

Drilling will come with strong, new environmental protections. Americans want that. They want resources, but they want them safely gotten. It will take place well offshore, as opposed to the 3-mile zone that will go up for grabs in 15 days if we vote this bill down and do nothing.

I don't know how many of you are for that. Maybe all of you are for it on that side. I don't think our citizens are for it. In the areas closer to shore, we are letting the States themselves make the final call. To my colleagues on the Republican side who argue that States won't opt in without revenue sharing, I reply this, if the ground swell for drilling is as strong as you have said it is, and I believe it is, surely our State leaders will listen.

Do not ascribe to us the only ones who will respond to the public's desire to find more resources. Certainly our State leaders will respond as well. They will feel comfort that their State has made that determination.

That's not to mention the job creation that will occur in States, what a motivation that is. We are also including diligent development provisions, which, by the way, you included in your 2005 bill. We thought it was a good provision. We called it "use it or lose it." You voted against it because it wasn't your bill. You voted for it when it was development in your bill. When we put it on the floor, you voted against it.

Second, we are going to take immediate action to lower the price of oil by releasing 10 percent of the oil in the Strategic Petroleum Reserve. We proposed that; the President said "no." We said don't buy any more. The President said "no." Both of those policies are now being pursued by the administration.

Tax incentives for plug-in hybrid cars, solar and wind power, biofuels and energy efficient homes. Why? Because we can't drill ourselves out of this. We need to drill, we want to drill,

we are providing for drilling, but that's not the solution.

It is part of the solution. We all understand, you say, all of the above. We say, yes, let's invest in alternative research, for cutting-edge energy research, support for mass transit and renewable energy.

□ 1845

We need all of those steps if we are going to be energy independent.

Some day soon I think we will look back on these investments as the beginning of the end of our oil addiction. We are going to fund them by recovering the royalties the oil companies owe the American people. Who here believes you need to incentivize a company to produce a product that is getting the highest price it has ever gotten in history. I don't find that premise in my free market concept. The free market operates that if people are buying your product and they are paying you a very good price, by golly, you try to provide more product for them.

Refineries were operating at less than 90 percent, or about 91 percent this summer, the lowest point they have been at refining capacity in a number of years, not because they didn't have supply. They have got supply. There are no shortages, there are no lines. They are just charging a high price.

We are going to fund that research, as I said, by asking the oil companies to pay their fair share. They are making good money and our citizens shouldn't have to pay more to run their government because some oil companies are not paying their fair share. It simply doesn't make economic sense to do billions of dollars of tax cuts to oil companies while our citizens are paying high taxes.

All of that is our energy solution. We have not left a stone unturned or a remedy untried. To my Democratic colleagues, I don't think a single one of us is happy with every single provision in this bill. I know I am not. There would have been some additional things I would have liked in this bill. But I also know that is the price of a good compromise, and making good compromises is our business. To my Republican colleagues, you have told us loud and long, and I want to congratulate Mr. PETERSON for the work he has done in bringing this issue to the fore and talking about it, not just this year because I have known him for a long time. We served on the Appropriations Committee, and he has been consistent and constant in his focus on this issue.

Your Presidential candidate is running for office under the motto "Country First." We would all run on that platform.

I am for Mr. OBAMA, as all of you know. He wants to see change and a new direction. But certainly all of us agree that our country comes first, perhaps not before God, perhaps we would say our family is critical, but certainly country is our consideration.



Democrats and Republicans, we are all being watched today and they can see partisan differences, partisan divide, and sending a partisan bill to the Senate. We can perhaps do that, and maybe we will. Our public will not be pleased. This bill is not perfect. It is not everything you wanted; it is not everything I wanted. But it is a substantial expansion on drilling, a substantial investment on renewables, a substantial investment on conservation. We ought to pass this bill.

Mr. BOUSTANY. Will the gentleman yield?

Mr. HOYER. I would yield briefly to the gentleman.

Mr. BOUSTANY. I would like to ask if you considered repealing section 199, which is basically singling out the oil and gas industry for a tax which all of our manufacturers don't have to pay—

Mr. HOYER. Reclaiming my time, that provision, of course, was added under your leadership to manufacturing. It wasn't in manufacturing, as you probably know, when it was originally adopted because it was not perceived that the oil companies were in manufacturing as the bill contemplated to be.

Then you thought the oil companies weren't doing well enough, and so you wanted to add that provision and you added it under Republican leadership. Very frankly, we thought that was not a wise move at that time, and we don't think it is a wise move now. And very frankly, I don't think the American public thinks that the oil companies will go out of business if we don't give them this tax incentive.

Mr. BOUSTANY. If the majority leader would yield.

Mr. HOYER. I will yield one more time, and then I will conclude.

Mr. BOUSTANY. This provision hurts the larger companies which are necessary with the technology to drill in deep water. The smaller companies participate in that. So if we hurt our deep water abilities in the United States off our Outer Continental Shelf, we are making ourselves less competitive and we are hurting job prospects.

I have seen so many folks from Louisiana who are serving all over the world, working in the oil industry who have left the United States, left Louisiana because they have to work over there. We could keep these jobs here.

Mr. HOYER. Reclaiming my time, they go no place in the world, my friend, where they pay less than they do in the United States to those nationalized countries that allow them to drill. No place in the world do they pay less. If they went to Venezuela, they pay 93 percent. If they went to Norway, they pay 78 percent. Nowhere in the world, my friend, do they pay less than they pay here, and the difference is made up by your taxpayers and my taxpayers.

Ladies and gentlemen, this is a good bill. It is not a perfect bill. But it is a good-faith effort to move this issue forward, to make us independent, to bring

prices down, to invest in the future which renewables are clearly the harbinger of, and to make sure that we take the action our public wants.

I thank Mr. RAHALL for his leadership, and I urge every Member of this body on both sides, vote for this piece of legislation. Move us toward energy independence, not just today but tomorrow and tomorrow.

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

Mr. Speaker, there has been a lot of discussion here and I think the main issue we are dealing with is how do we end our addiction to foreign oil. Can we drill our way out of this problem; can alternatives be used to replace crude oil. I think those are the two primary positions that are being bantered about on this floor.

As the American public is watching this debate, I am sure they must be quite baffled because both sides claim only they are correct. I think the answer, can we drill our way out of this problem, can alternatives be used to replace crude oil, the answer to both of those questions is probably "kind of."

Mr. Speaker, a couple of weeks ago I was at the Idaho National Laboratory. It is one of the premier nuclear and alternative energy research facilities in the U.S. Here is what the experts at the INL told me when I was there. They said wind energy is about a 2 percent energy solution. Solar is not much better, and it is a lot more expensive. They talked about hydrogen. Currently we generate hydrogen by burning natural gas. That actually loses energy. Today there is no good source for the carbon dioxide, carbon monoxide that they say is needed to develop other forms of alternative energy, unless we are going to burn coal, and coal is not included in this bill except that we are going to increase excise taxes on that coal.

How will we get enough hydrogen, carbon monoxide, and carbon dioxide to make alternatives a reality? Well, the folks at the INL said we will need to have next generation nuclear reactor facilities, not today's light water reactors that people are seeking to permit today. Next generation reactors operate at higher temperatures, and at those temperatures, chemistry and the reactions that take place, they take on new characteristics and that will allow the generation of hydrogen, carbon dioxide, and carbon monoxide in quantities that will make alternatives a reality.

Here is the problem. According to the Idaho National Laboratory, next generation nuclear facilities are two to three decades away from becoming a reality.

This bill does nothing to develop next generation nuclear reactors, and it doesn't really address the alternative energy in a meaningful way because of that. The bridge has to be made with crude oil and natural gas. The problem is this bill permanently locks up almost 90 percent of those offshore re-

sources so it doesn't really address even our most limited need for crude oil.

Mr. Speaker, we need crude oil for more than just gas and oil. No plastics will ever be made from a windmill. No industrial chemicals will ever come from solar panels. No ink for printing. No asphalt that we need to make pavement to drive those electric cars and hybrid cars on. Well, Mr. Speaker, it just doesn't deal with those energies.

What does it deal with? Well, it increases taxes to the tune of about \$18 billion. I wonder how many people in America believe that if we increase taxes on oil companies, that somehow that will cause them to reduce the price they charge for gas and oil. That is an absurd, absurd suggestion. In fact, what is going to happen is those taxes will go right down the pipeline, through the gas tank right into your gasoline tank where you will be paying higher prices for the gas and diesel that you need.

It was suggested earlier that we use so much energy in this country. You have all heard T. Boone Pickens on television say, gosh, we burn so much of this crude oil. I am not ashamed that we use a lot of energy in this country. It has made us the most prosperous Nation on the face of the planet, and it has allowed us to help essentially every other country on the face of the planet at one time or another. And America has proven time and time again that with our prosperity, we will also be generous to other countries at the time when they need it. Without that prosperity, we would not be able to have that generosity. Using energy makes us prosperous.

Just over a year ago, the Business Roundtable put out a report. Their conclusion was that to meet our energy needs for the future, we had better get our hands on every bit of energy we can from every source possible. That includes all of the alternatives. It includes nuclear. It includes crude oil and natural gas in increasing quantities. This bill does not get us there with any of those things.

I guess the question at this point is what kind of future do we want for our kids and our grandkids.

Mr. Speaker, ladies and gentlemen of this body, I am here to tell you that I want a future for my kids and grandkids where they will be prosperous. And for them to be prosperous, Mr. Speaker, we will need to get our hands on every bit of energy we can from every source possible, and this bill will not get that job done.

Mr. RAHALL. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE); and while she is taking the mike, I remind her that our thoughts and prayers are certainly with all of her constituents and all those who have suffered from the recent Hurricane Ike.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the chairman of the committee for his leadership and kind words to the people of the gulf coast. Let me thank all of my colleagues who have offered to us their concern and certainly their support. I just landed, and I came from the view of a devastated community, an area in Galveston represented by my colleagues that has experienced the greatest devastation that they have seen in decades. Three million people are without power, many of them desperate because of their financial conditions. As everyone knows, particularly my friends from Louisiana, sometimes getting that power back together takes a long time.

That is why this bill was important enough for me to come back, because it is a balance. As I left Houston, there were people crying out for diesel fuel, hospitals needing 700 gallons of fuel, and price gouging that law enforcement officers had to stop. People lined up at gas stations wherever they could find fuel, and those who could not find it were begging for fuel. So we know we have to do something about this calamity of energy and need.

I come from what has been called the oil capital of the world. I practiced oil and gas law. And as someone said on the other side of the aisle, there is no fear over here. Democrats want to balance what is best for America, and we have done so.

So there is a little bit of sacrifice that we are doing, but it is important to note that this bill brings relief to those suffering in the gulf and who need to find gasoline because in addition to many other aspects, it opens up leasing of 319 million acres; 85 million acres come from a State option.

□ 1900

That's a balance. But at the same time, this bill includes \$18 billion in tax cuts to spur green jobs. And energy is all kinds of energy sources. And so, in addition to the oil, we have the opportunity to do more with green jobs.

We also allow a taking-out from the Strategic Petroleum Reserve. If we could get this bill passed and signed, I could help the people in the Gulf region because it would come to hospitals, it would come to gasoline stations. It would come to people who are in need.

This is a bill that ends the current moratorium that allows drilling 3 miles off, but it allows drilling through a State option, 50 to 100 miles.

Let me just say this, Mr. Speaker. I have listened to a lot of Republicans. And interestingly enough, in the 2005 bill, they even said they are trying to move toward energy independence. This is what we do.

And I want to thank the chairman and Congressmen GREEN and MILLER for allowing me to put language in this bill, and I'm proud of this language.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. RAHALL. I yield the gentlewoman an additional 30 seconds.

Ms. JACKSON-LEE of Texas. Beyond the fact of the expansion of the leases offshore and opt-in, it allows minority women and small businesses to have the opportunity to do something they've never done, bid for these offshore leases, and it creates an energy consortium of our universities to work with wind and solar.

I would like revenue sharing. I'm from the region. But we can't have everything. I hope to work on it, that we have these incentives that everybody is asking for. But now we have a balance, and the people in the Gulf region are crying out for resources and energy. And this bill, if it's gone to the Senate and it gets to the desk of the President, will help us do so.

This is a good bill. This is a bill that should be signed. This is a bill we're proud of.

And I want to thank my staff, Arthur Sidney.

Mr. Speaker, I rise today in strong support of H.R. 6899, the Comprehensive American Energy Security and Consumer Protection Act. This legislation is a timely, necessary, and a comprehensive approach to addressing our energy crisis.

I am especially proud to support this bill because my staff, and I worked tirelessly to ensure that appropriate language was included to benefit all Americans—especially, small, minority, and women-owned businesses, institutions of higher learning, particularly minority serving institutions. I also worked hard so that the American consumers would benefit from paying lower gas prices at the pump. I am proud that such a progressive and comprehensive piece of legislation is on the floor of the House today. I thank Speaker NANCY PELOSI, Democratic Majority Leader STENY HOYER, and Representatives RAHALL, MILLER, and GREEN for their leadership in bringing today's important energy legislation to the floor that will address, in part, our current national energy crisis. I would also like to thank Mr. Arthur D. Sidney, my Legislative Director, for his work on this bill.

I AM PLEASED TO HAVE MY LANGUAGE INCLUDED IN H.R.

6899

I am especially proud to stand in support of this progressive piece of legislation because I was able to get my language included in this bill. Specifically, I was able to get included language in this bill that covers four critical issues: (1) the expansion of leases to offshore lands along the Outer Continental Shelf; (2) that States might opt-in to allow leasing off its costs by enacting legislation signed by the Governor or referendum; (3) allows the Secretary of Interior to establish goals to ensure equal opportunity to bid on offshore leases for qualified small, women-owned, and minority-owned exploration and production companies and may implement outreach programs for qualified historically underutilized exploration and production companies to participate in the bidding process for offshore leases; and (4) provides that the Secretary of Energy shall award a grant on a competitive basis to a consortium of institutions of higher learning for the establishment of a National Energy Center of Excellence to conduct research and education activities in geological and geothermal sciences, renewable energy and energy efficiency (including energy technology using

clean coal, solar, wind, oil, natural gas, hydroelectric, biofuels, ethanol, and other energy alternatives), and energy conservation, including a special emphasis on environmentally safe energy. This consortium shall include at least two institutions of higher learning that are historically Black colleges, Hispanic-serving institutions, and tribally-based universities and colleges.

As a senior Member of the House, representing the 18th Congressional District, which includes Houston, the energy capital of the world, I am pleased to support this bill. I am glad to have authored language and have it included in this bill. My language will go far in making sure that individuals, that heretofore have been underserved, are provided a seat at the proverbial energy table. I urge my colleagues to support this bill.

Mr. Speaker, this bill could not come at a better time for Americans. To put it mildly, Americans are in desperate need of relief. Just a few months ago in May 2008, gas prices were at an all-time high. The price of regular-grade unleaded gasoline has risen well above \$4 in some States. Increasingly, as the economy spirals to a recession, Americans must choose between food, energy, and gas. This crisis is of national and international importance. It is expected that the damage from Hurricane Ike which hit Houston and other parts of Texas, last week, will also drive up domestic oil prices.

BACKGROUND ON OIL PRICES AND THE CASE FOR THE NECESSITY OF THIS LEGISLATION

The price of crude oil is the largest single factor in the retail price of gasoline. Oil prices have not been regulated since the Reagan Administration; however, the market situation since 2004 has yielded little excess capacity. The weakening value of the dollar, political uncertainty, and unrest in places such as Nigeria, Venezuela, India, and China, exacerbate the problem. Worse still, is the plight faced by the developing world. While the developed world is facing high oil prices, the developing world is facing even higher prices with the weakening value of the dollar. Food prices all over the world are rising, and instability is growing.

Mr. Speaker, oil prices reached a record \$147 per barrel and the American people are suffering. Many are faced with the decision to pay for gas or to pay for more food to feed their hungry families. Consumers are in desperate need of relief in the prices of oil, gas, and food.

But even refiners cannot escape the impact of the rising price of crude oil. Refining companies that have no upstream component, all reported steep year-over-year profit losses for the first quarter of 2008.

The overall effects on the consumer have been deep and widespread. Concern over the rising price of retail gas has been mounting for 3 years, and even as fuel exacts a greater toll on consumers' budgets, its macroeconomic effects have reverberated through all sectors of the economy.

The rise in fuel prices is having a deleterious effect on other industries, including the automobile industry. Sales of mid-size cars and trucks have declined. Automakers reported an overall drop in sales of 6.3 percent in February of this year, led by light trucks—which were down 10.6 percent—and sport utility vehicles—down 7.7 percent. The average fuel economy of new vehicles has increased

by more than half a mile per gallon since 2004.

These rising gas prices are also spilling over into other sectors and they are having equally deleterious effects. In a recent survey of plumbing, heating, and cooling contractors, more than 90 percent of respondents expected their business to be harmed because of the high fuel costs. Without change, such as H.R. 6899, long-term, sustained gas price increases are going to severely affect persons living in the suburbs because of the high gas prices and the long commutes. H.R. 6899 will bring marked improvements in energy prices.

H.R. 6899—THE LEGISLATION ON THE FLOOR TODAY

H.R. 6899 will address the price at the pump by expanding drilling in an environmentally conscious manner. This bill is comprehensive, and its implementation will expand domestic and renewable sources of energy to bolster our national security. This is a real energy bill that will expand production and supply without sacrificing environmental concerns. The goal of this bill is to make the production and exploration of energy sources more affordable, more accessible, and more environmentally friendly.

H.R. 6899 will end subsidies to the oil companies, promote good jobs here in America, and require Big Oil companies to pay what they owe America's taxpayers. It puts America on the path toward energy independence and a clean green energy future through greater energy efficiency and conservation, and protects consumers with strong action to lower the price you pay at the pump.

This comprehensive and sweeping measure takes strong action to lower the price at the pump. It does so by releasing a small portion of oil from the Government's strategic reserve, and invests royalties from oil companies owed the American taxpayer in alternative energy technology.

H.R. 6899 commits America to a renewable energy future and jobs by extending and expanding tax incentives for renewable electricity, solar and wind energy, and fuel from America's heartland, as well as for plug-in hybrid cars, while requiring 15 percent of American electricity to come from renewable energy. This is a real energy bill.

This bill includes a compromise to responsibly open up the Outer Continental Shelf for drilling, with environmental protections, while demanding that Big Oil companies use the leases they have already been issued. It promotes efficiency and conservation that will save consumers billions, with tax incentives and loans for energy efficient homes, buildings, and appliances, and updated efficiency standards for buildings.

I am pleased that this bill is one of the few recent energy bills that have already garnered strong bipartisan support on the House floor. Now, more than ever, in a time where the American people are experiencing serious economic woes, with a rampant mortgage crisis, the failings of major financial institutions, low wages and high prices, America needs legislation to make oil more accessible and more affordable. Because oil is a finite commodity, it is imperative that all Americans have access. This bill does just that: provides access in a responsible and sensible manner.

Importantly, this bill lowers costs to consumers and protects taxpayers. This is critically important given our growing dependence upon sources of foreign oil and the ever in-

creasing world price of oil. To that end, this bill temporarily releases nearly 10 percent of the oil from the Government's stockpile, known as the Strategic Petroleum Reserve, and replaces it later with heavier, cheaper crude oil. This is a real energy bill that provides real solutions to America's energy crisis.

The bill provides royalty reform by making oil companies pay their fair share. Further, H.R. 6899 ensures that oil companies pay their fair share of royalties on flawed leases granted in 1998 and 1999. Because of mistakes made by the Interior Department, oil companies holding 70 percent of leases issued for drilling in the Gulf of Mexico in 1998 and 1999 became exempt from paying any royalties, costing American taxpayers about \$15 billion. This bill makes it more efficient for the Interior Department to collect royalty payments from oil and gas companies owed to the American taxpayer. Additionally, this bill adds a new requirement that it must be in the fiduciary interest of the Federal Government for oil companies to be permitted to make royalty in kind, instead of cash, payments to the government.

H.R. 6899 restores accountability and integrity in oil leasing at the Mineral Management Service. As you are aware, several recent events have called the integrity of this fine institution in question. This bill attempts to right some of those wrongs and address the misconduct that has occurred.

This bill provides for a renewable energy future and creates American jobs. The bill includes \$18 billion in tax cuts to spur green jobs and American energy independence, including an 8-year extension of the investment tax credit for solar energy and fuel cells.

Mr. Speaker, H.R. 6899 includes a 3-year extension on the production tax credit for energy derived from biomass, geothermal hydro-power, landfill gas, and solid waste. H.R. 6899 provides for a 1-year extension of the production tax credit for energy derived from wind and clean renewable energy bonds for electric cooperatives and public power. It also provides for incentives for the production of homegrown renewable fuels and tax credits for the purchase of fuel-efficient, plug in hybrid vehicles and it provides incentives for energy conservation for individual businesses and State and local governments.

The bill expands domestic energy supply by ending the current moratorium which only allows drilling 3 miles offshore. The bill also increases domestic oil production across America and in Alaska.

Regarding Alaska, this bill incorporates a modified version of the "Use It" legislation that creates more stringent requirements that oil companies produce oil during the initial term of their lease. H.R. 6899 mandates annual lease sales in the National Petroleum Reserve in Alaska to speed its development and oil and production. Importantly, the bill bans export of Alaskan oil outside of the United States. It also calls upon the Bush Administration to facilitate completion of the oil pipeline infrastructure into the National Petroleum Reserve in Alaska, and to facilitate the construction of the Alaskan Natural Gas Pipeline, which could create up to 100,000 jobs.

H.R. 6899 provides the greatest energy efficiency and conservation of any other bill introduced before the Congress. This bill strengthens energy efficiency codes for buildings, provides incentives for energy efficient homes,

and reduces transit fees for commuter rail and buses and expands service through \$1.7 billion grants to transit agencies for the next 2 years. This is a real energy bill, and I urge its adoption.

MY FOUR AMENDMENTS TO H.R. 6899

Mr. Speaker, I already briefly mentioned the language that my staff and I were able to get included in the bill. I would now like to take the opportunity to talk a little more at length about this language and explain why it is imperative that any comprehensive energy bill include this language. My language covers four areas.

Critically, my language provides for the expansion of leases to offshore lands along the Outer Continental Shelf. This is important because it expands production and supply possibilities. This should alleviate the deficit of energy and should hopefully lead to lower energy prices.

Second, my language addresses another critical issue: the ability for states to opt-in. Specifically, my language provides that states might opt-in to allow leasing off of its coasts by enacting legislation signed by the Governor or referendum. This is important because it gives States more latitude in the use and dispensation of energy along its coasts.

Third, my language allows the Secretary of Interior to establish goals to ensure equal opportunity to bid on offshore leases for qualified small, women-owned, and minority-owned exploration and production companies and implement outreach programs for qualified historically underutilized exploration and production companies to participate in the bidding process for offshore leases. My city of Houston is the oil capital of the world, and as such, it has small, women-owned, and minority-owned exploration and development companies that would greatly benefit by outreach and leases that the Department of Interior could provide to them. I purposefully structured the language so that the Department of Interior would not be fettered and would have wide latitude in ensuring that money and leasing opportunities would be extended to underserved communities.

Fourth, my language provides that the Secretary of Energy shall award a grant on a competitive basis to a consortium of institutions of higher learning for the establishment of a National Energy Center of Excellence to conduct research and education activities in geological and geothermal sciences, renewable energy and energy efficiency (including energy technology using clean coal, solar, wind, oil, natural gas, hydroelectric, biofuels, ethanol, and other energy alternatives), and energy conservation, including a special emphasis on environmentally safe energy.

This consortium shall include at least two institutions of higher learning that are historically black colleges, hispanic-serving institutions, and tribally-based universities and colleges. This last piece is important because it ensures that minority-serving institutions benefit from the largess and capital that is set aside for energy and renewable research. It further ensures that these universities will develop top notch disciplines, programming, and educational infrastructure that will be used for energy development, renewables, and energy conservation. Energy development, renewables, clean energy, and energy conservation is the future, and it is here to stay. Minorities and other historically underserved populations

must be encouraged to enter and thrive in these growing disciplines.

I urge my colleagues to support this bill.

Mr. PEARCE. Mr. Speaker, may I inquire of the time remaining for each side?

The SPEAKER pro tempore. The gentleman has 48½ minutes remaining. And the gentleman from West Virginia has 44 minutes remaining.

Mr. PEARCE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. It's been a fascinating day, hasn't it?

You have the votes to pass this bill, so congratulations. You'll pass it. But the bill is a ghost. It's going over to the Senate. It's dead on arrival. It will not do one thing for producing energy and American jobs for the American people.

Now, there is almost no mention in this huge bill that we got at 9:45 last night, almost no mention about new refineries. I think refineries were mentioned one time.

Natural gas, I heard my friend from Oklahoma say natural gas is included in this bill. It's mentioned less than a half a dozen times. There is no title for natural gas in this bill.

Nuclear energy, it's not here. I can't find it.

Now, the polls currently show that faith in Congress, our congressional credibility is at an all-time low.

You won an election 2 years ago on the basis of the fact that you're going to get us out of Iraq. You didn't do it. You're going to bring down gas prices. That didn't work. Most ethical Congress ever. I'm afraid not.

And now the last thing was we are not going to drop large bills in the middle of the night into this House. We're going to do it the right way. Well, I'm afraid that's been lost as well.

Now, why does it matter?

Well, we have a subcommittee. We've had multiple hearings on energy over the past 18, 20 months. Mr. BOUCHER is to be commended for the amount of hearings that he's had on this. But we didn't get to mark this bill up in subcommittee. Not one amendment came from a Republican at any time on this bill. We didn't see this bill in full committee.

Now, there are things that we should do urgently; like we should protect our electrical grid in this country, which we're not doing in this bill. There's the urgency. Bring that bill to the House floor without going through subcommittee and full committee. That, the American people would understand.

Well, notwithstanding what the majority leader has just told us, Paris Hilton will tell you, this is not rocket surgery. We do need all the above. Unfortunately, this bill does not provide that. I urge voting against this legislation.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to a valued member of our Committee on Natural Resources, the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, nothing is more apt for Americans than the clean energy revolution that we will start with today's bill. Nothing is more apt for Americans because this bill depends on two very intrinsic American qualities. Those are the qualities of optimism and innovation. And we believe that this bill sets us on a course for innovation that will achieve for clean energy what we achieved in the space race of the 1960s.

And I'd like to share why I'm optimistic about this. This is a picture I took a couple of weeks ago in Golden, Colorado, at the National Renewable Energy Laboratory, the center of our national effort on renewable energy. It's a picture of a photovoltaic cell. On the other side of this array is a 400-square-foot photovoltaic cell converting sunlight into electricity. That sunlight feeds down into these two cars that are plugged-in electric hybrid cars. This is a term Americans are going to get to know real well. They plug in. They use this solar-based power, and they will go 40 miles with zero gasoline. And then after you go more than 40 miles, they have a gasoline engine to go another 200 or 250 miles.

Here's the stunning fact which they told me at the renewable lab. This panel, which can go on your roof, powers two cars in 8 hours to get that all-electric drive for a full 40 miles.

We are in the midst of a transition. We are on the cusp of a great transition. It reminds me of another transition when we went from typewriters to software, and there were a bunch of optimists out in Redmond, Washington at Microsoft, in my district, that were optimistic about this new transition we were going to get into.

Now, I will tell you this: I've heard some of my Republican friends saying "drill, baby, drill." I think during that transition from typewriters to software, what they would have been saying is "type, baby, type."

We know that we have to break our addiction to oil, not to continue it, and this bill is a comprehensive measure.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RAHALL. I yield the gentleman 30 more seconds.

Mr. INSLEE. Let's be clear. The Republicans who will vote against this bill today are voting against solar energy for Americans. They are voting against plug-in hybrid technology for Americans. They are voting against enhanced geothermal for Americans. They are voting against more wind energy for Americans. And this idea of drilling as a bridge to these technologies, it's a bridge to nowhere. It won't show up for 15 years.

We need this technology starting today. That's a future America deserves.

Mr. PEARCE. Mr. Speaker, I yield myself 15 seconds.

I would draw the attention of our viewers across America to look at the

picture that the gentleman just presented to us. Make no mistake about it. The majority in this House wants to change your way of life to where you cannot drive the cars you drive today.

I yield 2 minutes to the gentlelady from Minnesota (Mrs. BACHMANN).

Mrs. BACHMANN. For 21 months the Democrat-controlled Congress watched as gas prices increased over 76 percent on the American people. For 21 months they sat in idleness as the American people became 70 percent dependent on foreign oil. They knew the American people paid an effective tax of \$700 billion to foreign countries.

For 21 months the Democrats presided while watching one-sixth of our economy, money and jobs going overseas. For 21 months the solution was obvious to anyone who was looking to win the energy battle for the American people, and it was this: Legalize American energy production, all of it, legalize it and have Congress get out of the way. Whether it's clean coal, natural gas, oil production, nuclear, alternative, conservation, the Democrats could have done every bit of this 21 months ago and been the heroes of the American people. They could have because they have been in charge. But they willingly, intentionally, with eyes wide open, chose not to.

The Democrats defied the will of the American people, and now as the clock strikes midnight on the 110th Congress, with this sad chameleon they call an energy bill, the Democrats continue to defy the American people. But the truth is clear, this bill won't reduce the price of gasoline at the pump. The American people will suffer, as they have suffered under Democrat inaction.

But let's throw the American people a lifeline. We can, because in November Americans can have their say, finally, and under Republicans and JOHN MCCAIN, they will be able to choose \$2 a gallon or less for gasoline, or they can choose Senator OBAMA and the no-drill Democrats, and they can see gas climb to the heights of 5 or \$6 gallon or more.

The choice couldn't be more clear.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members to address their remarks to the Chair, and not the television audience.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, for 30 years, since the first oil shock of 1973, we've been facing an energy crisis in the United States. And let's be honest and level with the American people, both parties have missed opportunities to deal with it. And the American people hold all of us accountable.

So I'm proud that this Congress, in its first time in less than a year, increased the fuel efficiency standards for cars, something that's been kicked around, talked about for 30 years. This Congress in its short, first year took action.

And I'm proud that our Republican colleagues who claim to be for the all-of-the-above energy policy can vote for the most comprehensive energy policy and legislation in 20 years, what we have here today.

Now, listen. You can be for drilling offshore. And this bill provides 300 additional acres of drilling. But that is not a cure to our energy independence. It is not just drilling offshore, but it's also what we do onshore in our laboratories, our universities with our innovation and our technology for our energy independence.

This bill provides that we invest in our renewable energy technologies and ends big subsidies for big oil companies. We require utility companies to use wind, solar and biomass to generate more electricity.

What I'm most proud about is also what it does in the area of natural gas, which those who are in the industry see as revolutionary for their industry. Natural gas is 100 percent U.S. supply, 33 percent cleaner and 40 percent cheaper. And it provides the infrastructure to make sure that our auto industry can start to convert and start to use natural gas, something Europe has been doing and the United States has been lagging. And here's an energy source that today is available. Just in the State of Utah, drivers can pay \$0.83 per gallon if they fill up with natural gas.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RAHALL. I yield the gentleman 10 seconds.

Mr. EMANUEL. So the question is before us, are we going to have an energy policy that keeps us wedded to the past or begins to invest in our future? And this is the opportunity to do that.

Mr. PEARCE. Mr. Speaker, I yield myself 10 seconds.

I would point out that there is more stimulation in this bill for bicycles than nuclear power.

I yield 2 minutes to the gentleman from Utah (Mr. BISHOP).

Mr. BISHOP of Utah. Mr. Speaker, when I was a young legislator in Utah, I was told that oftentimes the process we use in creating legislation is more important than the actual words of that legislation. Thus, here in Congress we have established a concept of regular order so that fair and competent legislation is brought forth that eliminates unintended consequences of poorly written provisions. So we in Congress review.

And yet, by mutual understanding, the bill we have before us has had no public hearing, no committee work, no review, no amendments by Republicans or Democrats, rank and file, no reading of this bill since it was printed after everyone had left last night. It's not a comprehensive solution. It has the appearance of competence but is not a real solution to meet the needs of real Americans. It does not work.

Let me give you one small example. The section on oil shale I originally

thought was one of the bright lights in an otherwise dismal bill. And I'm sorry that my colleague—no, my colleague from Utah is still here. I congratulate him on his work.

It removes the prohibition of oil shale development that this body callously placed in last year's appropriations act, despite a chorus of bipartisan opposition to do such. But rather than simply remove the prohibition and move forward, it replaces it with a mandate of States' actions to pass a law to allow it to take place, something I personally like, something I think the industry would support, but which also has potential of constitutional implications.

There are other areas of this bill which have even more constitutional implications. And since this act has no severability clause, it simply means if one part of this bill goes down on constitutional issues, the entire bill goes down.

□ 1915

Rather than just take out the prohibition, it's almost as if we put in the margin a big sign that says, "Look here to sue," so that outside agencies can do in court what some people have said they would like to do on the floor, which is not have a real solution.

I am saddened because we could have done so much more. We could have done so much better, and instead, we will vote on a hollow shell of a bill.

Mr. RAHALL. Mr. Speaker, it is my honor to yield to the lady that leads this body. I certainly commend her for the tremendous efforts that she's made meeting after meeting after meeting to bring us together as a caucus, often at much political sacrifice, including to her own desires.

I yield 1 minute to the Speaker.

Ms. PELOSI. I thank the gentleman for yielding and his recognition of the fact that this legislation is indeed a compromise. It isn't the bill that any one of us would have written individually, but it brings us together in consensus. I want to thank the distinguished chairman of the National Resources Committee, Mr. RAHALL, for his extraordinary leadership on this bill.

This is a difficult bill because we all had to come from different directions on it, and we've come to agreement.

I want to also acknowledge the important work that was done by GENE GREEN, Congressman GENE GREEN of Texas; by GEORGE MILLER, the Chair of the Education and Labor Committee; and JOHN DINGELL, the Chair of the Energy and Commerce Committee, all of whom who are cochairs of this important legislation.

I would like to acknowledge CHARLIE RANGEL, the Chair of the Ways and Means Committee for the provisions from his bill in this bill, and NEIL ABERCROMBIE who really tried to bring as many of the provisions of the legislation he was cosponsoring into this legislation so that it really did reflect

the thinking of our colleagues on both sides of the aisle, if not to get the support from both.

I also want to acknowledge Congresswoman SLAUGHTER for her input. And Mr. ABERCROMBIE has joined us. Thank you, Mr. ABERCROMBIE. I'm pleased to acknowledge your great leadership on this, this step in the right direction with certainly more to come.

I want to remind our colleagues or inform, for those who may not have been born yet, that in 1973 during that energy crisis, President Nixon became the first President to call for American energy independence. In his 1974 State of the Union address, President Nixon said that the United States should "not be dependent on any other country for the energy we need to provide our jobs, to heat our homes, and to keep our transportation moving." He promised energy independence within 6 years. That would be by 1980. In 1974, he had that vision.

President Nixon was the first to make such a call, but certainly not the last. Practically every national leader in the intervening 33 years has called for energy independence.

Today, this House of Representatives has the opportunity to take this country in a new direction on energy and make that energy independence happen. We have this opportunity with the comprehensive, I call it All American Energy Security and Consumer Protection Act.

The legislation we debate today is a bold step forward that will help us end our dependence on foreign oil and strengthen our national security. And protecting the American people is our first responsibility, and so I list that first among the goals and the provisions of this legislation.

The legislation is a result of reasonable compromise that will put us on a path toward energy independence by expanding domestic supply of oil drilled offshore, and expanding domestic supply of energy by investing in renewable energy resources. It will protect consumers with strong action to lower the cost of energy and to protect taxpayers by making Big Oil pay for its fair share of our transition to a clean, renewable energy future.

It will ensure a clean, green energy future through energy efficiency and conservation. It will commit America to renewable energy and help create millions of good paying green jobs. It will do so by rearranging the financial relationship between the American people, their oil, and Big Oil.

Right now I think that the arrangement is a real rip-off of the American taxpayer and the American consumer. And so we say in this legislation to Big Oil, if you want to drill—and to others, but particularly to Big Oil—if you want to drill in the Outer Continental Shelf, let's talk about that.

We're in the position that we are today because for 8 years, President Bush has requested a moratorium on drilling in the Outer Continental Shelf.

In recent months, he reversed his policy. And this is a reversal not only of his policy but of decades of policy that had prohibited drilling on the Outer Continental Shelf.

So as a result of his lifting the moratorium on drilling, starting after September 30 at the end of this fiscal year, it will be possible for the U.S. Government to provide leases to companies to drill 3 miles—3 miles—off the coast of our coastal States with no consent from the States. It will be 3 miles, leases given by the Federal Government.

And that's why in order to remedy that, this legislation strikes a compromise and a balance by saying, yes, if you're going to drill offshore, it has to be 50 miles offshore and it has to have an opt-in by the State. The State has to agree that you can drill. The Federal Government can give leases to the private sector to drill 50 miles offshore.

And it also says the following in terms of the financial arrangement. Right now, the status quo, which is what some of our Republican friends want to perpetuate, the status quo is the following: the oil belongs to the American people, and yet Big Oil drills for that oil subsidized by the U.S. taxpayer. At a time when Big Oil's enjoying record and historic profits, they still insist that the U.S. taxpayer subsidize their drilling and have had royalty holidays of paying the taxpayer for the taxpayers' oil which they have been drilling.

So what we're saying in this legislation is that day is over. Now if you want to drill, you're on your own. In the private sector, in the free market, you're on your own. The American people are not subsidizing that drilling. And, by the way, we want our share of the royalties. And lifting the subsidies and getting our royalties, including going back to the royalty holidays of the 1990s, by doing that we will be able to invest in America's energy future by using those funds to invest in renewable energy resources, whether it's wind or solar, biofuels, other clean alternatives.

We'll be able to use that money from that offshore drilling, by now finally getting the taxpayers' fair share, to invest and provide more support for LIHEAP, the low income heating initiative, so important to so many, many families in America and even more so in this time of economic uncertainty. And to invest in our lands and conservation fund, some of the provisions which were in the original bill that Mr. ABERCROMBIE was supporting. So we took up some of the investments that he would make from the royalties that we would recoup and also from not providing subsidies to Big Oil.

Many of us have thought for a long time that there was something wrong with this relationship. Our oil, their profits, we subsidize, we don't get the full benefit of that. But it was only recently that we saw how wrong something was with that relationship. It

tells us again and again why it is time for a new direction. And nothing demonstrates that more clearly, I think, than the recent scandal in the Bush Interior Department.

On the Republicans' watch, Interior Department officials accepted football tickets, ski trips, golf outings, and other favors in return for rigging contracts to benefit Big Oil. They engaged in illicit behavior that gives new meaning to the words "cozy relationship" between the Republicans and Big Oil.

These Republican officials, one of whom pled guilty just yesterday to corruption charges, were in charge of collecting billions of dollars' worth of oil and natural gas last year alone from companies allowed to drill on Federal lands and offshore. It just isn't right.

So when I said earlier that this was a rip, it's a rip and it's corrupt, and it must be changed. I think all Americans believe that it's time for an oil change in America.

The Democrats stand for that change. Democrats demand it. Republicans are demanding the status quo, but not all Republicans. Many have been involved, though they may not specifically approve of this particular bill, many of the provisions in this legislation were provisions advocated by Republicans in their bipartisan legislation with Mr. ABERCROMBIE.

The status quo, as has been suggested by some, will not bring down the price at the pump. The status quo will not protect taxpayers from subsidizing Big Oil, and the status quo will certainly not make America energy independent. It's time for a new direction. It's time for us to set aside partisan politics on this issue. This should not be an issue on which we are divided.

The protection of our country by assuring energy independence, the creation of new jobs through a new energy green industry in our country with renewable energy resources, the assurance that we will never be in this position again because not only are we expanding the domestic supply of oil, but we are also investing in renewable and other alternatives; and also that, again, security, environmental protection, economic entrepreneurialship in this legislation and a moral responsibility to reduce our dependence on foreign oil and on fossil fuel, to do so in a way that reverses global warming, which in my view is a moral responsibility if you believe, and I think everyone does, that this beautiful planet is God's creation and we have a moral responsibility to preserve it and preserve it in a way that is fair to all of the people who inhabit this planet. And in our case, we're talking about the American people.

So, again, this comprehensive energy package is a result of compromise in favor of sweeping and innovative solutions to America's energy future. I urge my colleagues on both sides of the aisle to join together to support a clean, renewable energy future by supporting this comprehensive legislation.

Once again, I salute all of those who participated in bringing us to this compromise: some intentionally, some by the basic work that they've been doing in the Congress for a long time and may not, again, support this legislation today but have put their stamp of approval on many of the provisions that they had suggested in other legislation and which we have been pleased to pick up where we had bipartisan agreement.

So I'm very excited about this. This is a very important day in our energy story for America. And I commend all who worked so hard, and so many people did. But we recognize it's only a first step. There are many more issues to be dealt with, more progress to be made, but we cannot wait for that to happen.

In the meantime, I'm pleased that in this legislation we have our legislation related to the Strategic Petroleum Reserve which, if the oil is released, which we have asked the President to do, will immediately bring down the price at the pump within 10 days instead of 10 years—which would be the length of time it would take to bring the price down for 2 cents. Two cents, 10 years; 10 days, our bill.

The President originally resisted. Now he says he may release from the SPR not because Congress asked but because Big Oil asked.

It's about time we got the leverage back to the American people, recognized our need to meet their needs, to protect the consumer and the taxpayer, to keep them safe with energy independence, to grow our economy through good green jobs, and to make sure that we never find ourselves in this situation by making investments in renewable energy resources.

□ 1930

Mr. PEARCE. Mr. Speaker, I recognize myself for 15 seconds before I recognize Mrs. CAPITO of West Virginia for 2 minutes.

Mr. Speaker, we've just heard that we're going to sell oil out of our Strategic Petroleum Reserve in order to cure a marketing problem. That oil was put there for our national defense and now we're using it in pure marketing.

I yield 2 minutes to Mrs. CAPITO.

Mrs. CAPITO. I thank the gentleman for recognizing me.

The Speaker, we just listened to her, and her leadership team had an opportunity to present this House with a truly bipartisan energy bill. Both she and the majority leader have talked about the compromises that they reached and how they worked on a compromise. I don't know who they're compromising with. They're compromising with themselves, negotiating with themselves.

Instead, they chose to bring forth what I think is a blatantly partisan bill. It will increase energy costs in my State, and again, essentially ignores West Virginia, its people, its abundant supply of coal.



I go back to the fact that I've listened to both the majority leader and the Speaker in their remarks, and not one mention of clean coal in both of their remarks.

So let me be clear, in a time when West Virginians are making hard decisions based on their gas, electric and home heating needs, this bill offers them nothing more but Washington. All talk and no action.

We know it's going to take a comprehensive plan to wean our Nation off of \$700 billion worth of dependence on foreign sources of oil, but this bill just doesn't do the job.

It includes a renewable portfolio standard that will send electric costs skyrocketing in a State like West Virginia by mandating difficult standards, all of this at a time when many of my constituents can barely afford gas or their heating bill.

This bill doesn't invest in royalties for offshore exploration into alternative energy sources like clean coal or renewable fuels. Coal-to-liquid has great promise to lead this Nation towards our energy independence.

The American people gave the leadership of Congress a homework assignment to solve our energy crisis, and they responded by waiting till the last minute, hastily writing their bill, and delivering it late. Sadly, it fully deserves the "F" that the American people will be giving it.

At a time when a solution demands real bipartisanship, this bill just doesn't cut the muster. I'm on the bipartisan bill. We worked night after night with no lobbyists, no leadership, no special interests, and we found good compromise in that bipartisan bill, and I'm proud of the efforts on both sides of the aisle where we joined together.

With this empty shell of an energy bill, I'm afraid I'm disappointed and I'm afraid the American people will be, too.

Mr. RAHALL. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, reading the legislation will show that the strategic energy efficiency renewable reserve fund that we've set up—we explained the funding mechanism and how much earlier—would go toward accelerating the use of clean domestic renewable energy resources and alternative fuels. And an understanding of what alternative fuels is would lead one to know that that includes coal-to-liquid and clean coal technologies.

In addition, we have a separate section that increases research, development, and demonstration of carbon capture and sequestration techniques, also clearly spelled out in the legislation.

Furthermore, when we're talking about carbon capture and sequestration in this legislation, we do have language that specifically sets aside how the process is, that these grants will be made from this fund to go toward carbon capture and sequestration.

We provide \$1.1 billion of tax credits for the creation of advanced coal elec-

tricity projects and certain coal classification projects and we explain how that will be awarded.

In addition, we ensure the solvency of the black lung disability trust fund, not a laughing matter to West Virginians.

I yield 2 minutes to the gentleman from Illinois (Mr. HARE).

Mr. HARE. I thank the chairman.

Mr. Speaker, my constituents are frustrated and angry by rising energy costs and the impact on their businesses, their grocery bills, and their everyday lives. Today, we respond to that frustration and anger by considering the Comprehensive American Energy Security and Consumer Protection Act. I rise in strong support of this legislation that increases our domestic energy supply, invests in alternative fuels, and ends taxpayer subsidies for big oil companies.

This important legislation includes several provisions to move us towards a 21st century energy policy. My friends on the other side of the aisle have called for increased drilling to capture more of our domestic resources. The bill does just that.

Advocates for the environment have called on oil and gas companies to produce oil on Federal land to which they already hold leases or give up those leases. This bill requires them to do just that.

After learning last week of the corrupt relationship between Big Oil and the Bush administration's Minerals Management Service, this bill strengthens oversight of the Interior Department.

Most importantly, this bill launches a clean renewable energy future that creates new American jobs, specifically in my home State of Illinois.

If this comprehensive bill isn't an all-of-the-above response to energy prices, then, quite frankly, I don't know what is.

Mr. Speaker, I am proud of every energy vote I have taken in the 110th Congress, from addressing oil speculation abuses, cracking down on price gouging by Big Oil, improving public transportation options, releasing millions of barrels of oil from the Strategic Petroleum Reserve, to increasing fuel economy standards in our vehicles and providing relief for consumers at the pump.

The Comprehensive American Energy Security and Consumer Protection Act pulls many of these measures together, moving us closer to ending this energy crisis and establishing real energy independence.

I urge all of my colleagues to support this incredibly wonderful piece of legislation.

Mr. PEARCE. Mr. Speaker, I recognize myself for 15 seconds prior to recognizing Mr. FORTENBERRY of Nebraska.

Two years ago when the new Speaker took over, we were promised a plan. Tonight, we're told that we're going in a new direction. The new direction:

Sell off our Strategic Petroleum Reserve; provide more stimulus for bicycles than nuclear power; and the solar car that the gentleman from Washington showed us the picture of. That's the plan the American people are given while they're hurting at the pump.

I would recognize Mr. FORTENBERRY for 2 minutes.

Mr. FORTENBERRY. I thank the gentleman.

Mr. Speaker, America needs, and is demanding from this Congress, a bold, new energy vision.

We, as a Congress, have been presented with the opportunity of a generation: to step into the breach and deliver to the American people a victory over the vexing problem of dependence on foreign oil. Left unaddressed for far too long, it has compromised our national security, our economic security, and our environmental security. And now is not the time to retreat into the familiar trenches of partisan politics.

Now is the time to establish a broad, comprehensive, new energy direction, and yes, I believe we should adopt long-term investments in a sustainable future. I support them: research and incentives for wind, solar, biofuels and geothermal. But we must also address, Mr. Speaker, the immediate problem of our overwhelming dependence on foreign oil.

Let's have an honest debate about the full range of energy options in our portfolio. Increased use of domestic resources in an environmentally responsible way will promote our energy independence while bridging to a sustainable and independent energy future, fully integrating conservation, innovative technologies and a variety of renewable resources.

Mr. Speaker, today, I believe, could have been a day of celebration instead of the rancorous political pushing and shoving. I am sure that many Members on both sides are eager for a bill, reached in true bipartisan fashion, yes, with the appropriate trade-offs and compromises but one that lays a new energy vision.

What a message we could have sent to our own people, the financial markets, to innovators and entrepreneurs, to the world oil markets, that America has chosen a new way and we will no longer be captive and vulnerable. Instead, we have a bill that is the product of dysfunction in this House, Mr. Speaker. I just believe we can do better.

Mr. RAHALL. Mr. Speaker, I yield 1 minute to the distinguished gentlelady from Arizona (Ms. GIFFORDS).

Ms. GIFFORDS. Mr. Speaker, the bill before us this evening is a strong response to one of the most challenging issues that faces our country: securing American energy independence. Meeting this challenge requires the comprehensive approach on the floor tonight: drilling, conservation, and renewable power.

I am particularly pleased that this bill contains an 8-year extension of the

solar investment tax credit, or the ITC. Solar power represents one of our Nation's best hopes for a clean, secure, and sustainable future. It will provide powerful economic benefits in my district in southern Arizona but to the rest of the country as well.

According to a new study by Navigant Consulting, an 8-year extension of the solar ITC could lead to more than 440,000 permanent jobs and attract \$232 billion in investment through 2016.

I thank the leadership. I thank the chairman. I thank those who have worked so hard at listening to the people of southern Arizona and across this country about this newer, brighter future.

I urge my colleagues on both sides of the aisle to support this balanced bill and call on our colleagues in the Senate to pass this legislation as well.

Mr. PEARCE. Mr. Speaker, I would yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, since the Democrats took control of Congress the price of gas has increased 75 percent. Mr. Speaker, their first response was to declare a 6-week vacation while the American people suffered. Republicans spoke out. The American people heard. They demanded action.

So now what do we have, Mr. Speaker? In the dark of night, we have produced a 240-page nonenergy energy bill, with no amendments, no substitutes, no committee hearings, supposedly from a Speaker who promised us the most open, democratic, and fair process known to mankind. These are strong-arm tactics that are more befitting of Hugo Chavez's Venezuela than they are the United States of America.

Mr. Speaker, this bill does not produce American energy. It is a sham. It is a fraud. There are no new refineries, no clean coal, no ANWR, no nuclear, and regardless of what they say, Mr. Speaker, no production of our deep sea resources.

And, in fact, this bill makes matters worse. It would permanently ban the development of our oil and gas resources on almost 88 percent of our offshore resources.

You know, it's ironic, Mr. Speaker, if the Democrats would do nothing—and certainly, they've had lots of practice doing nothing—this moratorium on development would go away in just 2 weeks. Decades and decades of American energy, oil and gas in the ground, ready to be developed, but the Democrats won't let us do it.

In fact, this has called the publication Roll Call to ask, "Is this just an elaborate exercise to give their Democrat Members a heaping dose of political cover?" The answer, Mr. Speaker, is "yes."

We need all of the above. We need conservation. We need renewables. We need alternative energy. But we need more American energy, too. Democrats view our oil and gas resources as toxic waste sites. Republicans view them as

valuable natural resources that can be used to ease pain at the pump.

Vote against that bill. Vote for American energy.

Mr. RAHALL. Mr. Speaker, I yield 4 minutes to the gentleman from Utah (Mr. MATHESON) who's been very instrumental in helping us develop this piece of legislation, especially in regards to the oil shale.

Mr. MATHESON. Mr. Speaker, I thank the chairman, both for yielding the time, but more importantly I thank the chairman for his leadership on putting together a bill that really, I think, speaks to a number of issues that we all care about.

It's no surprise we're less than 50 days before an election that the rhetoric out here on the House floor may get a little hotter than usual, and on an issue as important as this, I think that's unfortunate.

I think if we can, for just a few moments, maybe set that aside and really take a look at what this bill is and talk about what's in the bill, I think that would be productive, because, you know, this bill actually takes ideas and clauses and sections from a lot of different bills that have been introduced by a lot of Members of Congress. There have been all kinds of energy bills introduced by Republicans, by Democrats. This particular bill we're talking about tonight incorporates a lot of those ideas, and that's a good thing, and it reflects a cross-section of the House of Representatives in terms of point of view.

If we take a look at this bill, you will see that there are Democrats and Republicans who could actually come together and agree on a lot of these things. I suspect with the election coming up we may have more of a partisan nature on this vote than we would like. At the end of the day, I think we all spent a lot of time in August meeting with our constituents. We all have had the experience of going to the pump and paying a lot more than we are used to and a lot more than we like, and we've all felt the pain of that process. We've talked to a lot of our constituents who have also felt the unease of that circumstance, and they are anxious about looking for opportunities to move beyond that.

That's what we're looking to do. I don't think my constituents think the government can wave a magic wand and solve all this. When I talk to my constituents, they know that this is a complicated issue, that it is going to take a comprehensive approach, and a lot of the solutions are going to come not necessarily from government but from the private sector, the innovators in our country. That's why this country has always done so well in global competitions through innovation.

I've met with various businesses in my own congressional district just in the last few weeks who are making remarkable progress on technological advances, and it's exciting. It's invigorating. We should be optimistic about

the future when you see what's going on out there in the private sector right now to help new technology move forward. We shouldn't be on the blame game of who's responsible for this.

□ 1945

Our caucus leader, Mr. EMANUEL, said that the oil crisis first started 35 years ago with the 1973 oil embargo. Different parties have been in power in the White House and in the Congress, and we can look back in hindsight and say there may have been a lot of decisions that should have been made but weren't, or other actions that should have happened but didn't.

The blame game is not particularly productive. What we ought to talk about doing is how do we move forward as a country? How do we set public privacy that allows the private sector to innovate? How do we make progress with new technology? How do we take ourselves to a new position where we are no longer dependent on foreign energy? That's the type of discussions I think most people around the country want us to have. That's the type of discussion we ought to be having here on the floor tonight. And I'm not hearing enough of that, quite frankly, from both sides of the aisle.

This bill does increase production. It opens up substantial amounts of the offshore resource for exploration. The bill also includes oil shale production. A lot of people on the other side of the aisle said it does not, but it does. It eliminates the moratorium. It gives the States the ability to opt in to do that. It is a huge potential resource.

It includes the important tax credit extensions that so many people in this body on both sides of the aisle support. Oh, I know there are things in this bill that probably every Member of Congress could come up with something they don't like. I'm sure every Member of Congress could come up with things they would like to see in this bill that are not in it tonight. When you try to put together a consensus bill, that's the nature of the process.

But this is an important step. It's a step that allows us to say we are moving ahead with domestic production, we're moving ahead on accruing new technology, we're moving ahead on trying to reduce our dependence on foreign supply.

Again, I commend the chairman for his leadership. I ask everyone to support this bill.

Mr. PEARCE. Mr. Speaker, I recognize myself for 10 seconds before recognizing Mr. JOHNSON of Texas for 2 minutes.

Mr. Speaker, this bill taxes American refinery jobs and does not tax foreign refineries. So we're giving the advantage to foreign jobs and we are hurting American jobs.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. The American people want, need, and deserve a Congress that responds to their needs and acts diligently on their top priority. Sadly, the Democrats in Congress, beholden to their radical leftist interests, have blocked progress and will not let us do the job that the American people sent us to Washington to do—find real energy solutions.

Ironically, the only border fence the Democrats seem to care about is the fence they want to put up around the areas where we can't explore for oil. That's a disgrace. Solving our energy crisis means tapping all of America's resources for America's future to create American jobs and American prosperity. Folks are sick and tired of paying around \$4 a gallon for gas. They're fed up with relying on foreign countries and brutal dictators to supply our energy needs. Americans have had it with a Democrat leadership who told the Congress to take a 5-week vacation instead of staying around to do their jobs.

The Democrat bill before us today is a sham. They're refusing to allow us to tap into our own home-grown energy resources and discouraging investment in future energy supply. I'm here to tell you, in Texas, this bill is all hat and no cattle.

On October 1, the ban on offshore energy exploration on the Outer Continental Shelf expires. This bill would put the lid on the OCS with no progress in sight. However, today's bill puts excessive rules and regulations back on the OCS, landing us basically back where we started. That's not what I call progress.

We owe it to the American people to get this one done right. We need to open up the Outer Continental Shelf. We need to allow States to share the revenue of oil exploration. We need to tap Alaskan areas that hold potential for domestic energy resources, not just the parts cherry-picked by the Speaker.

We must be open to oil shale, clean coal, nuclear, and renewable energy sources like wind and the sun. We don't need more bureaucracy, we need more innovation, and we need it all.

I'm urging my colleagues on both sides of the aisle to work together to come up with real energy reform for our children, grandchildren and America's future.

Mr. RAHALL. Mr. Speaker, I yield myself 15 seconds.

The previous gentleman has once again referred to the so-called "5-week vacation" during the month of August—a time period that we all have enjoyed with our families and working in our districts—without mentioning the fact that for the 90 days prior to that August district work period, Republicans called for 18 motions to adjourn this House, and they called for two motions today to adjourn this House without consideration of this bill.

Mr. Speaker, I yield 2 minutes to the gentlelady from California (Ms. LORETTA SANCHEZ).

Ms. LORETTA SANCHEZ of California. I thank the kind chairman for not only allowing me to speak on this, but also for all the work that you've done to put this together.

I rise today in support of the Comprehensive American Energy Security and Consumer Protection Act.

A lack of action by the previous Republican-led Congresses and policies of the Bush Administration have led to skyrocketing gas prices while Big Oil companies are earning their largest profits in American history. We need to act now. We need to pass a balanced energy bill, which is exactly what H.R. 6899 is.

Many Americans are facing financial hardship because of our country's energy struggles. This bill expands domestic drilling, it protects States' rights to maintain control over their shores, and it allows America to move towards the future by investing in new sources of energy.

Despite some of the speeches we have heard on the floor today, the American people and the States are not unanimously in favor of an offshore drilling free-for-all.

The looming expiration of the offshore drilling ban on September 30 would allow drilling as close as three miles offshore in my home State of California. That's very concerning for Californians who are committed to protecting our shores from any drilling. And I support their sentiment.

This bill provides a compromise, ensuring that States like California can opt out of offshore drilling. Quite frankly, it seems like those people who would be for States' rights would support this provision that ensures that States are involved in the decision of whether to drill between 50 and 100 miles off of their shores.

In addition, the remaining Outer Continental Shelf beyond the 100 miles would be open to oil and gas leasing. As you might imagine, that doesn't thrill Californians, but this is a compromise; it's a compromise that gives States control over the waters closest to them while also advancing the Federal drilling interests further offshore.

In addition to the drilling provision, this bill will help enhance our national security and move toward energy independence by investing in renewable sources of energy. This legislation expands and extends tax incentives for renewable electricity, energy such as solar and wind and plug-in hybrid cars and energy-efficient homes and buildings and appliances.

I urge everybody to vote for this bill.

Mr. PEARCE. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. I thank the gentleman for yielding.

You know, a lot of us who spent time at home hoping that we would come back here and vote on a serious piece of

legislation are disappointed here. This is not a serious piece of legislation. This is a piece of legislation that seems to be geared simply to give some people some cover for the upcoming elections.

If we had a serious piece of legislation that would provide for allowing us to exploit our own resources, it would allow States to share in the revenue generated by offshore drilling. Without allowing that, you simply guarantee that no State will opt in. So there is a lot of bait and switch here going on.

It seems that the only recycling in this is a familiar pattern of loading the bill up with a lot of items so you can get votes from here and there. For example, one of the spending programs is a National Consumer Awareness Program to educate the public on the environmental and energy benefits of public transportation. That's not a serious bill about our energy crisis. This seems to be a San Francisco bill with New York sensibilities.

And speaking of New York, there is a big fat item in for New York, about a \$2 billion item which allows for the so-called Liberty Zone. This provision would allow New York City to keep \$2 billion worth of the employers' share of payroll taxes to invest in transportation projects. That's a specific limited tax benefit for one entity here. That's an earmark by all definitions. And yet nobody has been able to explain—and we sought this morning, we sought all day to have somebody explain what that has to do with our energy future. Instead, it was just put in the bill to try to get a vote from here and there.

Again, this is not a serious piece of legislation. It is meant to provide political cover. It should be rejected. And, hopefully, as the moratorium goes off, we will get to really addressing our energy future.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. CHET EDWARDS).

Mr. EDWARDS of Texas. Mr. Speaker, when it comes to reducing gasoline prices now, this energy bill does something important, something that Republican bills refused to do. This bill will release onto the market 10 percent of the Strategic Petroleum Reserve, which already has 700 million barrels of oil in it.

By dramatically increasing the supply of oil onto the market this year, we will drive down the price of oil, which is being kept artificially high by oil speculators who don't produce anything except profits at the expense of average working families and businesses.

Just look at the facts. In 1991, when former President Bush released just 17 million barrels of oil from the SPR, oil prices dropped by 33.4 percent in just one day, 33 percent in one day. In 2000, when President Clinton released oil from the SPR, oil prices dropped by 18.7 percent. The fact is that releasing oil from the SPR is a proven way to

drive prices down quickly, and that's why this bill mandates the release of 70 million barrels of oil.

Now I can see why oil speculators don't like the idea of lower prices. I can see why ExxonMobil doesn't like the idea of lower prices. I can't quite see why my Republican House colleagues have voted against releasing oil from the SPR earlier this year. And none of their bills include this idea. It makes one wonder just whose side are they on now. Well, I'm going to be on the side of families and businesses in America who want lower oil prices today, not 20 years from now.

The Republican bill says to the patient that's hemorrhaging, well, help is on the way 10 or 20 years from now. And the patient is hemorrhaging and the American economy, businesses and families are hemorrhaging economically today, they need and deserve help today. Let's vote for this bill tonight. And let's help Americans this year by lowering energy and gasoline prices.

Mr. PEARCE. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. I thank the gentleman from New Mexico for yielding.

The Strategic Petroleum Reserve, I think it's named exactly what it is. Why, at a time when we have hurricanes that have hit the gulf coast, that's a time we might want to have to tap into the Strategic Petroleum Reserve. When we've got Putin sitting over in Georgia, Ahmadinejad threatening to close the Straits of Hormuz and we're opening up the Strategic Petroleum Reserve for what, for political strategy? Not for strategy for the security of the United States of America. That defies logic, I would say.

And to swap out sweet Texas crude for heavy Venezuelan oil at the same time also defies logic to track this. Why would anybody come to the floor and defend opening up the Strategic Petroleum Reserve?

But, Mr. Speaker, I came here to address this overall energy piece. And first, I'm for all-American energy all the time. I want to open up all of it. And I'm also for an open process, not for a 290-page bill that hit the presses last night at 10 o'clock and the Rules Committee at 10:45. How in the world could they evaluate it? And furthermore, what's the purpose of this constitutional process if there is no subcommittee, no committee, no amendments allowed anywhere along the line, amendments denied at the Rules Committee as well, a closed process—yes, an open debate for 3 hours, but not a process that allows perfection?

So it seems to me that we've handed the entire authority of the United States Congress over to the Speaker from San Francisco, who writes a policy, 290 pages, that doesn't do anything for us.

And I would add, Mr. Speaker, that even the Outer Continental Shelf, if we do nothing, it opens up. If this bill passes and becomes law, then it blocks

out the first 50 miles, and litigation blocks that out and all of the rest.

I have here a copy of the Federal Code. This is the legislation that ended litigation on the North Slope of Alaska in 1973. That's what it took. No one got through the environmental litigation; it was an act of Congress. If we don't have an act of Congress, we're not going to get through this litigation, and all of our energy is going to be locked up, Mr. Speaker.

So this bill does nothing for corn ethanol, coal, ANWR, nuclear, the first 50 miles, oil shale, natural gas, hydroelectric, or the litigation that's blocking it.

□ 2000

Mr. RAHALL. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina (Mr. ETHERIDGE).

(Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise tonight in support of H.R. 6899, a comprehensive plan to use our Nation's resources and Americans' know-how to reduce prices and to free our Nation from the grips of foreign oil.

This legislation invests in renewable energy sources such as cellulosic ethanol, biomass and soybean diesel, creating good-paying jobs here at home and growing our rural economies. This legislation has opened up the Outer Continental Shelf. It has renewed drilling while demanding that oil companies use the leases they already have that have been issued or lose the leases to other oil companies that will actually produce oil and gas. It is time to end the giveaway to big oil companies that are reaping record profits while my folks in North Carolina and their families are struggling to afford to fill their own gas tanks. Today's bill does just that.

This legislation puts our Nation on a path toward a sustainable energy future through greater energy efficiency and conservation. This legislation is for the people of North Carolina and for America who would rather grow their own fuel instead of sending billions of dollars to the Middle East.

Mr. Speaker, I urge my colleagues to vote in favor of this progressive, futuristic piece of legislation to free America.

Mr. Speaker, I rise tonight in support of 6899, the Comprehensive American Energy Security and Consumer Protection Act.

H.R. 6899 will increase American oil production, invest in renewable energy sources and new efficiency technology, end giveaways to big oil companies, and create jobs here at home. This legislation puts our Nation on a path toward energy independence through greater energy efficiency and conservation, and lowers the price average Americans consumers pay for the energy they need.

For too long, this administration and the Republicans in Congress have relied on a single approach to our Nation's energy policy, allowing big oil companies to decide when and where to drill, while failing to ensure that they

pay their fair share to the American people for the use of our federal lands. For too long the major oil companies have enjoyed the highest profits ever recorded at the expense of the American consumer, all while utilizing only a fraction of the Federal land available to them for drilling. This has only served to increase our reliance on foreign oil.

The bill Democrats are proposing today represents a change in the direction for our Nation's energy policy. H.R. 6899 puts our Nation on a path towards a sustainable renewable energy future by eliminating unnecessary tax breaks to oil companies and using these funds for research into alternative fuels and renewable energy and efficiency tax incentives. We can put American know-how to work, strengthening our economy and creating good-paying jobs here at home instead of \$700 billion each year to the Middle East. We can use the resources of rural America to grow energy right here at home and strengthen our communities.

Finally Mr. Speaker, H.R. 6899 has shown that the Democratic Congress has listened to the American people and not the big oil companies. This is comprehensive legislation that includes a compromise that will responsibly open the Outer Continental Shelf, OCS, for drilling, while demanding that oil companies use the leases they have already been issued or lose these leases to oil companies that actually want to produce oil.

This legislation gives States the authority to allow drilling from 50 to 100 miles offshore and makes all OCS waters beyond 100 miles immediately available for oil exploration. This puts our resources to work to meet our Nation's needs while at the same time protecting our coasts.

I know how high energy prices are hurting American families. This bill makes important changes to improve our energy supply and reduce costs. This is a bill that we can all support on behalf of the American people. I urge my colleagues to vote in favor of H.R. 6899.

The SPEAKER pro tempore. The gentleman from New Mexico (Mr. PEARCE) has 29¼ minutes remaining. The gentleman from West Virginia (Mr. RAHALL) has 23¾ minutes remaining.

Mr. PEARCE. Mr. Speaker, I would yield 2 minutes to the gentlewoman from Virginia (Mrs. DRAKE).

Mrs. DRAKE. Actually, Mr. Speaker, I'm disappointed to be standing here tonight, discussing the bill that we're discussing, and I really wonder what the Americans who are sitting at home watching our debate tonight are thinking. From one side, they're hearing this is the best thing that has ever happened to America. From the other side, they're hearing what this bill is really all about.

I represent Virginia's Second Congressional District. That's the entire coastline in Virginia—the Atlantic coastline. For the 4 years that I've served in Congress, 2 years of those were on the Natural Resources Committee. I worked on this issue of the Outer Continental Shelf. I can't tell you how disappointing it was to know that the rumors I was hearing over the weekend were true and that, yes, it would open up the Outer Continental Shelf on paper but not in reality, because what this bill does is it says,

from 50 to 100 miles, yes, States, you may opt in. However, Virginia and every other coastal State, you will receive no royalties for doing that.

Now, when you look at the Gulf States—Alabama, Mississippi, Louisiana, Texas—37½ percent of those royalties go to those individual States. I don't think that this Congress believes in treating our States differently.

So, in discussing this bill, the reality of this bill will be that States will say "no" because why would a State agree to be treated so completely differently? So the reality becomes industry can go harvest this resource at 100 miles out. The problem is that's very expensive; it's much more dangerous, and we know the bulk of the resource in the Outer Continental Shelf is within 50 miles of the coast.

So what we're saying is, yes, America, we're going to do it, but in reality, no, America, it won't work. I think Americans are smarter than that, and Americans today understand that we have vast resources in this country that we've blocked. It's time for us to have a solution to open our American energy, to meet our needs and to treat our States fairly.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Let the Chair remind Members, because it has happened three times during the debate, that Members should not traffic the well while another Member has been recognized and is in the process of speaking. Members should not approach the microphone in the well while another Member is speaking. It's discourteous, and Members owe better than that to each other.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I'm from North Dakota. I can understand why someone from Virginia would want the State of Virginia to get a lot of money for drilling more than 50 miles out, but you know, from where I come from, when you're past 50 miles off the coast, I'm not thinking of Virginia; I'm thinking of ocean. When you're dealing with leases owned by the United States of America, I think of resources that ought to come to the United States of America.

By the time this administration is done bailing out Wall Street, we may be looking at a fiscal deficit this year of \$500 billion. Sure, it would be nice to just cut a big, old slice and give it to States here or to States there, but what about the Federal Treasury for heaven's sake?

I'm from a State that has got some oil. I'm very proud of what's going on in North Dakota. We've got a play called the Bakken shale play. They estimate there are 4 billion barrels of recoverable oil, some of it on U.S. leased land. North Dakota is not getting a big, old slice of that, but we're sure generating a lot of economic activity. Man, it's making our State's economy

hum, and the economic activity of this drilling off the coast is going to make a lot of the economies of these States hum.

I can sure understand. Look, if I were from Virginia, I'd be saying, "Hey, give us some money. Give us some of this." I understand that, but as a Nation, this year alone, it's going to run potentially \$500 billion in the red. Don't you think we have some responsibility to our Nation, to all of the States and to our children?

You know, I like this bill, in my coming from an energy State, because it has got so many things in here that are positive. I mentioned our contribution in oil, but we also have a major wind dimension to our State. They call us the Saudi Arabia of wind. If you've ever been up to the high prairies of North Dakota, you'd know what they're talking about. We need to continue the tax support for the drilling-wind energy, and it's in this bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RAHALL. I yield the gentleman an additional 30 seconds.

Mr. POMEROY. There is one other thing I wanted to mention. We're sitting on 800 years of lignite coal at present consumptive rates. The provisions of this bill that deal with trying to get clean coal technology so that this can continue to be an abundant, affordable component of our energy sources while trying to meet new environmental concerns is going to take investment. It's in this bill. This bill is a diverse bill—oil, renewables like wind and clean coal. This bill deserves your support. I hope you will.

Mr. PEARCE. Mr. Speaker, I would yield 3 minutes to the gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I would point out for those States that are not coastal States, if they have Federal or State lands that have mineral development or hydrocarbon development, those States do get a royalty share if it's public. Now, if it's on private land, then the royalty goes to the private landowner, but if it's on public land—State or Federal—and it's on an onshore State, there is a royalty that the Federal Government pays to the State.

We are here this evening because this is the climactic day, apparently, or evening on whether we're going to have a domestic energy production program for America that comes out of this Congress. The bill before us pretends to be just that bill.

The problem is in section 101. The first title of the bill is a leasing prohibition bill. There are so many prohibitions throughout the bill that, in point of fact, when you sort it all through, you have tax increases on coal because there's an existing coal tax that is set to expire in 2014, and it's extended to 2018. You have huge prohibitions

against existing oil companies bidding on any of these new leases that might eventually come up. If you substitute Hollywood for Big Oil, that's like saying we won't let George Lucas or we won't let Steven Spielberg produce another movie because Star Wars or something like that made so much money the last time, which is simply silly.

We want our major oil companies to be out there producing and developing these leases because they're the ones most likely to actually find something and to produce it in a cost-effective fashion. I would point out that, for every dollar of profit our major oil companies make, they pay 3½ times that in taxes. It's a 3-to-1 return to the taxpayer when an oil company actually finds, develops, produces, and sells energy for America.

The bill before us has absolutely no permitting reform. As Congressman SHADEGG has pointed out, if you eliminated all of the moratoria and just did that and really let any area that's in the public domain be leased, it still wouldn't be developed because the national environmental groups preemptively file these lawsuits.

If you really want to have development and production, we have to do something on permitting reform, and that is not in this bill either. We really do need to be working together. Congressman ABERCROMBIE and Congressman PETERSON have developed a bipartisan bill that, I believe, has over 100 cosponsors, I would assume, equally divided between the Republicans and the Democrats. Very little of that bill is in this bill.

We simply must stop posturing politically and must really start developing good, sound public policy. The way to do that, in my opinion, would be to defeat the base text, to vote for a motion to recommit or to send the whole thing back and start over, I guess, next week with a clean sheet of paper.

Vote "no" on the bill that's before us.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from New York, a valued member of our Natural Resources Committee, Mr. HINCHEY.

Mr. HINCHEY. Mr. Speaker, I want to express my appreciation to Chairman RAHALL for his leadership and for the good job that he has done with this bill and to Speaker PELOSI for her leadership in putting this together.

It has taken some time, but nevertheless, we have now a good, forward-looking piece of energy legislation, and it's high time. We know that we have, roughly, 3 percent, actually less, of the known oil reserves around the world, and we are now importing about 70 percent of the oil that we're consuming. Obviously, just those numbers tell us clearly that we have to be moving in a different direction.

So this bill makes it a lot easier for us to drill for our own oil, and it makes that oil more accessible. Already we've

seen what has happened. The price of a barrel of oil has dropped down by more than 30 percent even though a price of a gallon of gasoline has dropped only by 12 percent, which is interesting since the oil companies are continuing to exploit the situation.

The fact of the matter is and, I think, one of the main parts of this bill which really needs our attention is the way in which it is moving us toward energy independence, energy independence on alternative renewable energy, which this bill opens up in a way that has never been opened up before. That is extremely positive and very good for us.

What we really need here is a new industrial revolution, an industrial revolution which will enable us to develop all of the energy that we need from solar, from geothermal, from wind.

□ 2015

I think solar is the primary way, and that has been obvious to a lot of people, including somebody like Thomas Edison in 1933, who said it very clearly back then, solar energy is the one reliable form of energy. It ought to be increasingly clear to all of us now. And this bill opens that up. It is going to make solar energy real, significant, less expensive, and move us toward energy independence. And at the same time it does that, it will have a very positive effect on our economy. The likelihood is over a relatively few years, if we do this properly, solar energy will produce more than 1 million jobs in America.

So I thank you for the job that you have done. You are finally moving us in the right direction.

Mr. PEARCE. Mr. Speaker, I yield myself 15 seconds prior to yielding to Mr. SCALISE 2 minutes.

I would point out, Mr. Speaker, that the carbon footprint of solar is tremendously higher than that of wind. It is exponentially higher than the carbon footprint of nuclear. So while we are trying to clean up the environment, we are dumping now solar carbon into it.

Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. SCALISE).

Mr. SCALISE. I want to thank my colleague.

I am glad in one sense that we are finally having a real debate with people on both sides of the aisle. For the last 5 weeks, Republicans have been here debating this issue. For the last 4 months, we have actually had a proposal on the table.

What is very unfortunate is we hadn't seen a formal proposal by our friends on the other side until 10 o'clock last night. The bill was filed by dark of night, no inclusion of the membership on the other side, no bipartisan agreement. And yet now the bill is going to be thrown up here with no ability to offer amendments to the most important issue facing our country today, and that is solving this national energy crisis.

If you want to complain about Big Oil profits, you know how you can lower the profits of oil companies? You can increase the supply of American oil, which will immediately reduce the price of gas at the pumps. And, by the way, then their profits fall down.

But we need to be mostly concerned about what we can do to help the American consumer, and that means increasing the American supply. This bill does nothing to increase American supply. And you don't have to just ask me, you don't have to ask my Republican colleagues. You can ask my Democratic colleague, Senator LANDRIEU, across the aisle; Senator LANDRIEU, who said this bill, the Democrat House liberal energy bill, is dead on arrival in the Senate because of the provisions in the bill that literally will allow no drilling to occur to help increase American supply, to reduce our dependence on Middle Eastern oil.

Now, if you want to be relying on OPEC, this is your bill. This is the bill that takes away all of our leverage so that we can finally tell OPEC we are moving away from our dependence on Middle Eastern oil, we are not going to need you anymore, and then we have the money from all the billions that will be generated to bridge ourselves into all of the renewables we are trying to achieve in the American Energy Act.

This bill won't get us there, though, because by taking away revenue sharing, which, by the way, for States like Louisiana is what we would use to restore our coast, which is our barrier against hurricanes. Why would they want to take away the money that we would use to protect us from future hurricanes? That is one of many reasons why this bill is clearly dead on arrival in the Senate. They don't want to pass a bill if this is the only option they are going to put on the table.

Bring back the American Energy Act, a truly bipartisan bill, and let's solve this crisis together.

Mr. RAHALL. Could I have a time check, please, Mr. Speaker?

The SPEAKER pro tempore. The gentleman from West Virginia has 19½ minutes remaining, and the gentleman from New Mexico has 22 minutes.

Mr. RAHALL. I have the right to close, I assume?

The SPEAKER pro tempore. Yes.

Mr. RAHALL. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. I want to thank my friend, Mr. RAHALL, for yielding me this time.

Let me just remind my colleagues on the other side of the aisle, when this bill passes and when it becomes law, after passage of the Democratic energy bill, 85 percent of the total oil available offshore will be open for exploration and drilling. My colleagues on the other side simply can't take yes for an answer, and I am perplexed by that.

We continue to come back, and I know that my friend Mr. FLAKE made

reference once again, to a provision in this bill that would restructure the 9/11 New York Liberty Zone bonds. We had a more extensive debate about this earlier today, and I don't want to necessarily go back into that.

But I think it is important to note for the record, on May 15 of this year, under questioning within the Ways and Means Committee, the Deputy Assistant Secretary for Tax Policy, Karen Sowell, stated that the President would oppose earmarks, but supports restructuring the New York Liberty Zone bonds and that the language included in his budget reflects that, that this is not an earmark.

Once again, I repeat: The 9/11 restructuring money is not an earmark. It is part of the \$20 billion that you, that we, promised New York after the attacks of 9/11, \$18 billion of which has already been delivered, or thereabouts. \$2 billion has yet to be used, and, quite frankly, in the form it is in today, is not usable, and that is why we are doing this. This is not something new. We have already passed this four previous times. We just have not yet been able to get it enacted into law.

So I would just remind my colleagues once again that this is not an earmark. In fact, your former chairman of the Ways and Means Committee, Mr. Thomas, he is the person who put this into law. We are trying to fulfill a promise that you made.

Mr. PEARCE. Mr. Speaker, I would yield myself 15 seconds before yielding 5 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

I would again point out that there is more stimulation for bicycles in this bill than there is for nuclear power. That indicates this new direction we are being taken by the majority.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. I want to thank the gentleman for yielding, and I want to thank all the Members of this body for participating. Those of you that have been down here for hours, I want to thank you. I want to thank my friend Mr. ABERCROMBIE from Hawaii, who has worked at my side for half a decade, bipartisanly, to try to figure out how we can make America energy independent and open up the resources that we have.

How can the most powerful country in the world allow itself to be in a position where its energy prices depend on three things that they have no control over? We just faced one, and we dodged a bullet again from major damage; storms in the gulf. They happen most years. It will depend on that whether we have available affordable energy.

The stability of the 13 largest oil companies in the world, all bigger than Exxon, unstable countries, non-democracies who have governments that tip over often. And if any one of them tips and produces two or three million barrels less oil, there is a shortage of oil in the world.



And then we have been lucky that terrorists have not yet attacked our energy system. It is so vulnerable.

How did we let ourselves get there? Well, most of our lifetime, in fairness to the former Congresses, energy was cheap, \$2 gas and \$10 oil. A spike in the seventies, a spike in the eighties, a spike in the nineties. We tried alternatives, but they didn't work, because cheap oil ran them out of the market.

Folks, cheap oil is gone. Cheap natural gas is over. We are in a new era. We are sharing energy now with a whole part of the world that didn't use it before. We will soon not be the biggest user of energy.

Twenty-eight years ago, we decided it was better to use theirs, not ours. We started locking up our Outer Continental Shelf. A few years later we tried to open ANWR when it was starting to get a little tighter, and a President vetoed it. About the same time, they set one of the largest coal reserves in America, I believe it was in the State of Utah, aside, as if it wasn't important, millions of acres.

More recently, in legislation that slipped through and got signed, unfortunately, we locked up shale oil, the big new field that has awesome potential.

And the one that stuns me, the fastest growing renewable, and I haven't heard anybody mention it here, woody biomass, 3.6 percent now. Woody biomass. Pellet stoves, wood waste for boilers, and we are hoping to do cellulosic ethanol from it. We have legislation that says wood waste from our Federal lands can't be used.

Tar sand oil, the new oil from Canada that we have built our refineries to use, we have legislation that is going to make it difficult to get that.

Every year since I have been here we have become 2 percent more dependent on foreign oil, and we will again next year. Unfortunately, this legislation locks up 97 percent of the west coast energy availability. It removes the part of the eastern gulf that is the most easy to obtain, close to where we are producing today, where the infrastructure is there and we can do it quickly. On the east coast, most of the energy is between 25 and 50 miles out, and it is locked up.

Then I guess the part that bothers me, I was a State legislator before I came here, we are kicking the ball to the State legislatures. It is Congress' role to provide energy for America. We are saying to State legislators, vote to open up. We are not going to give you royalties. There is no win in it for you, but you be statesmen. You take on that environmental lobby and you open that land up, because we won't.

Yes, prior to this bill, the ANWR Interior bill was available, and for the last number of years I forced many of you, and some of you groaned, to vote on whether we continued the moratorium.

Fourteen Congresses and three Presidents have not adequately valued en-

ergy availability for America. There is lots of blame to go around. Let's stop blaming each other here.

Who are the losers? The working people of America, Mary and Joe, retired seniors, living in a family homestead, struggling to have money for their automobile fuel and going to try to heat that big old home this year. Last year they kept it at 58. They don't know what they are going to do this year.

Jim and Nicole with three children. They have an eight-year-old vehicle and a modest older home. They kept their home at 60 raising kids, and they don't know how they are going to do it, because their bills are going to be much higher this year.

Then Margie, a single mom with a teenage daughter and a teenage son. She drives 40 miles to work one way, that is 400 miles a week. That is really stretching her budget with these gas prices. Her gas bill has gone from \$175 to \$220 to \$230. She has no idea how she is going to pay it.

The small businesses that employ the bulk of our friends and neighbors are struggling to pay their energy bill.

Folks, we need to deal with this energy issue, and we need to deal with it bipartisanship and get cost-effective energy for this country.

Mr. RAHALL. Mr. Speaker, I am very happy to yield 5 minutes to the gentleman from Hawaii (Mr. ABERCROMBIE) and want to salute him not only as an extremely knowledgeable person on our Committee on Natural Resources, but one who has worked with us throughout this process, has been involved every step of the way and has contributed magnificently.

I just want to salute Mr. ABERCROMBIE for his tremendous efforts on behalf of this compromise bill.

(Mr. ABERCROMBIE asked and was given permission to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Speaker, I want to thank JOHN PETERSON as we move on this bill, whatever happens tonight. I notice there are some Members we have been working with.

This is kind of an emotional moment for me, I will tell you, because one of the great sorrows that I am going to have out of this is not so much that our bill didn't make it to the floor, but that JOHN PETERSON is leaving the Congress of the United States. Of course, he is doing it always for the right reasons, for somebody else, and, of course, we hope that your wife, JOHN, is going to be well. I send her greetings and love and affection tonight, the love and affection we bear for you. You make the word "honorable" mean something very deep and real in this House.

I see Mr. BISHOP and others. Mrs. DRAKE was here. There are so many names we were working with: JIM COSTA and DAN BOREN, BILL FOSTER, TIMMY WALZ, TIM MURPHY. So many people. I am going to risk hurting people's feelings if I don't name everybody. But I have got to say DAN BUR-

TON or he will yell at me. So many folks. JEFF MILLER, so many. NICK LAMPSON, he is down there tonight.

The reason I bring all those names up is that we are productive with H.R. 6709 I think because we got away from lobbyists coming in or corporations coming, advocacy groups, and we got away from the leadership clash, if you will, over who is going to get the House or who might not.

In all honesty, I want to move this bill tonight. I agree, by the way, with DON YOUNG, I agree with what JOHN just said, what THELMA said, all the folks over here on sharing the revenues. I think we didn't have enough information coming from the CBO on that. It looks now like we can put royalties in and it won't create a pay-as-you-go problem.

There are a lot of things that can be done, if we can move the bill along. That is what I am asking, just move this bill along. It is like JIM COSTA said earlier, a work in progress. Come on, there are very few rookies here, very few rookies legislatively, even if you are just new in the body. We have got four or five different shots at this in order to perfect a bill.

I wouldn't vote for this bill if it came back now and this was conference bill. I wouldn't vote for it. But this gives us an opportunity to move this along. That is all I am looking for. And, believe me, the Republicans can claim they forced the Democrats to take it up and they made their point, and the Democrats will claim that they went for the bigger national interest and acted in a nonpartisan way.

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Everybody can make their political claims. But let's keep this moving. We have been talking to SAXBY CHAMBLISS, come on, a lot of us served with him here in the House; and LINDSEY GRAHAM, he is our friend; BEN NELSON, MARY LANDRIEU. I told MARY, left a message, said, look, don't say it's dead on arrival. We are for the revenue sharing. We can work this out.

The American people will blame all of us. The American people will not say the Democrats have showed up the Republicans, or the Republicans sure showed the Democrats. They are going to blame the Congress, because they want energy independence. We have to have it.

My plea to you is that we take this bill and move it along and get it into the Senate. We have nothing to lose and everything to gain in terms of energy independence, number one; and, number two, preventing the exporting of needed American dollars from investment in this country to import energy. That's the reason that we need to do this.

We have got to get away from, I see there is something from the National Wildlife Federation, comes in today, a lot of praise for the bill, but they don't like the oil shale provision, where it's an opt-in from the State, so they still

kill the whole bill, kill everything because there is something in it they don't like. We urge you to oppose it and the motion to recommit too. So we end up with nothing.

Other people, we have been using words like "hoax," despite claims to the contrary, this is not a drilling bill. Believe me, when the Speaker came around on this, and it's one of the reasons I feel we should move forward with the bill, the Speaker doesn't want this bill, believe me. But she is not the leader of the California delegation, she is the Speaker of the House, and she feels that something has to move along, even if she doesn't approve of most of the provisions that are in here, if she had her own personal way. What I am asking is let's rise above the arguments. Let's rise above the clash with one another.

I don't say that for altruistic reasons, I say it for practical reasons, practical legislative reasons. We will not be forgiven by the people of this Nation if we are not able to move an energy bill to the Senate so we have a fighting chance to try and work the legislative process here. Let's not have the kids that come to visit us every day, the people who come to our office sincerely asking us for our help, look at us and say they couldn't do the job that they were sent here to do.

Mr. PEARCE. Mr. Speaker, I submit for the RECORD three letters of opposition for this bill from The American Conservative Union, Industrial Energy Consumers of America, and the National Association of Manufacturers.

DEAR REPRESENTATIVE PEARCE: On behalf of the American Conservative Union, I urge you to vote "NO" on H.R. 6899, the so-called "Comprehensive American Energy Security and Consumer Protection Act," a 290 page bill put on the floor with less than 24 hours notice under a closed rule with no room for amendments.

When we were kids, we all played a variation of the game "Let's Pretend" in which we pretended to do something or be somebody knowing it was make-believe. The authors of this bill are playing "Let's Pretend" with the American people, pretending they are passing a bill to increase domestic energy production when they know it will do no such thing.

By eliminating revenue sharing for the states in royalties for offshore oil and gas drilling while requiring states to approve the drilling leases, the bill's sponsors know it is unlikely the states will bother to give their approval. Even Democratic Senator Mary Landrieu of Louisiana has said this bill "will not see the light of day in the Senate" should it pass the House.

The bill prohibits drilling less than 50 miles offshore when the sponsors know that, to give an example, 95 percent of the known reserves off the coast of California are less than 50 miles out.

Once again, as in other energy legislation, the bill needlessly increases taxes that only serve to increase the cost of energy. The bill will also increase electricity bills for the average consumer by forcing utility companies to use alternative fuels regardless of the cost. This provision has already been rejected by the Senate in a previous energy bill.

The American people are demanding we change our bankrupt energy policy which

has prevented the U.S. from utilizing our own resources and made us dangerously dependent on foreign oil supplies from unfriendly countries. They will not fall for a bill full of gimmicks which does not do the job.

We strongly urge a "no" vote on H.R. 6899. Sincerely,

LARRY HART,  
Director of Government Relations,  
The American Conservative Union.

INDUSTRIAL ENERGY  
CONSUMERS OF AMERICA,  
Washington, DC, September 15, 2008.

HON. NANCY PELOSI  
Speaker of the House,  
Washington, DC.

DEAR MADAM SPEAKER: We thank you for placing domestic energy production at the top of the September legislative priorities. Together, we must act to solve our energy crisis that is impacting every American and threatens the competitiveness of our manufacturing sector. On behalf of the Industrial Energy Consumers of America (IECA), we look forward to working with you to increase domestic production of affordable and reliable energy and to increase conservation and efficiency across all sectors of the economy.

The Industrial Energy Consumers of America is an association of leading manufacturing companies with \$500 billion in annual sales and with more than 850,000 employees nationwide. It is an organization created to promote the interests of manufacturing companies for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets.

As significant consumers of energy, our competitiveness is largely determined by the cost of energy and especially natural gas and electricity. Given this, we have reviewed key components of your legislation and offer the following comments.

Your legislative provision to open the outer continental shelf (OCS) to drilling is a bold positive step and we applaud you for it. However, unless modified, it will not result in increased offshore production. To increase production, either remove the provision that requires a state to approve drilling in their offshore areas or provide royalty incentives to states who agree to allow drilling. Also, the 50 mile requirement is problematic because according to the Minerals Management Service 80 percent of our known natural gas and oil reserves are located within 50 miles offshore. If our goal is to increase domestic production and increase our nation's energy security, we must not limit drilling to beyond the 50 miles.

IECA also encourages you to allow production access to the Alaska National Wildlife Refuge. This is an area in Alaska that is the size of the Los Angeles airport with tremendous known hydrocarbon resources that will significantly add to our national energy security.

IECA strongly oppose provisions that provide monetary incentives and mandates to use compressed natural gas (CNG) as a motor vehicle fuel. The transportation fuels market already has alternatives and is developing more options in which to fuel their market while home owners, farmers and manufacturers who use natural gas do not. This provision puts the transportation market in direct competition for the same natural gas and will result in much higher prices. We urge you to delete this provision from your legislation. Later, after we have had several years of increased natural gas production such an initiative could be revisited.

Increasing demand without first significantly increasing supply could devastate the

manufacturing sector that relies upon natural gas for both fuel and feedstock. We have lost over 3.0 million high paying manufacturing jobs since 2000 and high natural gas prices have played a significant role.

According to the Energy Information Administration, natural gas demand has grown by 9.8 percent since 2000 while production has remained flat despite record well completions. Production in 2000 was 19.2 trillion cubic feet versus 19.3 trillion cubic feet in 2007. Recent growth in natural gas from shale is encouraging, but this has not yet shown sufficient production to accommodate the growing demand by the power sector let alone provide additional supplies for the motor vehicle industry.

Congress has a history of passing mandates that increase demand for natural gas while simultaneously failing to put in place a long-term framework to increase production—this must change. Federal mandates such as the low-sulfur fuels standard and the biofuels (ethanol) mandate both increased demand for natural gas. And, pressure to reduce greenhouse gas emissions has resulted in a 35 percent increase in natural gas demand by the power sector. Together, the increases in demand and resulting higher price significantly contributed to the erosion of US manufacturing base since 2000.

IECA does not support the federal Renewable Portfolio Standard (RPS). Incentives, not mandates are the appropriate way to increase the nation's supply of renewable energy. States that have abundant renewable energy resources have enacted programs while those not endowed have not done so for good reason. A federal RPS would have a devastating impact on the global competitiveness of the pulp and paper industry that uses biomass as a feedstock and fuel. We urge you to delete this provision from your legislation.

For both cost and security reasons, it is important the Congress support research and deployment of carbon capture and sequestration (CCS) technology to use our vast coal reserves. IECA is troubled with this provision because it increases the price of electricity to us and to consumers thru a wires charge. It is essential that the provision be modified to ensure that the wires charge be paid for by 'all' consumer classes and that it specifically designate that no less than 10 percent of the revenues be directed for industrial applications for CCS.

Thank you for considering our views and we look forward to working with you.

Sincerely,

PAUL N. CICIO,  
President.

SEPTEMBER 16, 2008.

DEAR REPRESENTATIVE: The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose the Comprehensive American Energy Security and Consumer Protection Act.

We are encouraged that the House of Representatives has taken steps to craft an energy bill that will result in measurable energy efficiency gains and renewable energy incentives. We also recognize the important attempt to expand domestic energy development in the Outer Continental Shelf (OCS). While we support an increase in domestic energy supplies, we have serious concerns that without any state revenue sharing mechanisms it is highly unlikely that states will "opt-in" to leases and the result will be no new access.

Moreover, the NAM strongly opposes provisions in the bill that would:

Increase taxes on energy producers, including ending the Sec. 199 deduction for certain

producers and limiting it for others and restricting the use of foreign tax credits. This will directly add to the costs to energy production, discourage new domestic oil and natural gas production and make domestic energy investments less competitive economically with foreign opportunities;

Create a mandatory 15 percent federal renewable portfolio standard. This provision will directly add to the cost of electricity for manufacturers and consumers by mandating a renewable standard in regions of the country that do not have adequate resources to comply. In effect, it would translate into a new tax on electricity, passed on to U.S. manufacturers and consumers.

While the NAM cannot support this legislation and urges its defeat, we are prepared to continue to work with Congress to advance energy legislation that lowers costs for manufacturers and promotes energy security.

The NAM's Key Vote Advisory Committee has indicated that votes on the Comprehensive American Energy Security & Consumer Protection Act will be considered for designation as Key Manufacturing Votes in the 110th Congress. Thank you for your consideration.

Sincerely,

JAY TIMMONS,  
*Executive Vice President,*  
*National Association of Manufacturers.*

Mr. Speaker, I yield myself 6 minutes.

We have heard my friend from Hawaii just compel us to vote for the bill. But with all respect, I would say that we have constituents who are struggling to make their budgets balanced. They have \$4 a gallon gasoline, high cost of food, increasing taxes, and we are telling them, ride a bicycle. We are telling them we are not going to build nuclear power plants.

China gets it. China is converting from bicycles to nuclear, while we are converting from nuclear to bicycles. If China gets it, how come we don't? Everyone in this country is worried about our jobs disappearing to China. They are worried about our standard of living decreasing. They are worried about the ability to pay for their kids' college, and we are sitting here saying ride a bicycle, drive a solar car.

With all due respect, I wonder if the Speaker is going to leave tonight in a black solar limousine. I wonder if the Speaker has a nuclear car. I wonder if the Speaker has a wind-powered car. We are dealing in gibberish here while the American people are suffering and while our economy is suffering, and why are we doing it?

I will tell you, I watched in the 1970s as this Congress began to do things to kill an industry, the timber industry. There were 20,000 jobs in New Mexico in the timber industry, and this Congress at that time eliminated those jobs by killing the industry, allowing litigation to stop every single project. There is nothing in this bill to stop litigation.

I think that Americans are tired of watching special interest groups bring litigation to stop drilling, to stop mining, to stop oil and gas, to stop timber, to stop everything. They stopped construction projects.

I think the American people are ready to take back this country from

the extremists who obstruct our way of life and who obstruct everything that we stand for. I believe in American exceptionalism, I believe in our ability to bring hope to the entire world.

Everyone wants to come to this Nation to find their hopes, and we are litigating ourselves out of it. I don't understand why this Congress and this majority is making the stance that we are not going to build nuclear. Instead, we want you to ride your bicycles.

Oh, by the way, we are going to tax those American jobs. We are going to tax them out of existence if we have to, because we have got a point to prove. That's what I see in this bill. We are going to tax American jobs, and we are going to let that foreign gasoline come in here tax-free, so we are going to do that, but we're going to get back at somebody. That's what I hear in this bill.

We need every form of energy that we can get our hands on now, and, in the future, our need for energy increases dramatically. Why are we doing nothing in this bill for clean coal technology? Why are we doing nothing in this bill for the easy-to-get offshore gas and oil?

We prohibit, forever, oil and gas that lies just off our shore. We say to the oil companies, you can go out there at 50 to 150 miles, that ultra-deep stuff, that's where the stimulations are right now. There are no stimulations for on-shore production. There are no stimulations for that shallow-water production. The only stimulations are for that very deep, deep production, and we hear constant complaining and accusations.

That stimulation to deep, offshore production is increasing our capability to produce our own jobs and our own energy. We are sending over \$600 billion a year out this country to other countries. We are providing jobs for them, and we are not providing jobs here.

If we reinvested, and if we invested in our local oil and gas economies, we could produce at least a 6 percent rate of growth in this economy just by that. Forget the other services that are going to come along with just the \$600 billion. We are making foolish, upside-down decisions here, and this Nation is going to pay for it. Small businesses are going to go out of business. We are seeing the difficulty that we have competing worldwide, and this Nation is going to see a decline in the standard of living because of decisions that we are making here.

Last December, we made a decision to put all shale off-limits, 2 trillion barrels of shale. The American country has not used 1 trillion of shale, of oil, since our inception, and we put 2 trillion off-limits. Then we come into this bill and we sort of tickle around with it and say, well, maybe you can if your State says you can.

Where else do we allow the States to say, no, you can't produce those Federal assets. Where else do we give the States the veto power over our econ-

omy and over the production of Federal resources? It just doesn't make sense what we are doing here tonight.

It does not make sense that we don't cure the litigation problems that are going to kill our economy dead. It doesn't make sense that we are saying "yes" to bicycles, no to nuclear, no to that easy to get to oil off the coast, no to clean-coal technology. We are saying "yes" to the extremists and "no" to the American family.

I think the American family is going to take note for a long time what we are doing here tonight.

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

Mr. RAHALL. Mr. Speaker, may we have a time check. I am prepared to close on this side.

The SPEAKER pro tempore. The gentleman from New Mexico has 11 minutes remaining, and the gentleman from West Virginia has 12¾ remaining.

Mr. PEARCE. We have two more speakers.

Mr. RAHALL. Mr. Speaker, I reserve the balance of our time.

Mr. PEARCE. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, when Puerto Rico kicked us out, yes, kicked us out of our training areas for the Air Force and the Navy in Vieques, we had to move that specialized type of training into the eastern Gulf of Mexico. We established a military mission line and said there would be no drilling platforms or drilling ships there because it would not be compatible with the type of training.

The type of training that we are doing there with the Air Force and the Navy aviation, as well as the naval surface ships are hypersonic weapons, supersonic aircraft, long-range missiles, stand-off missiles like AMRAAM, and we are talking about Patriot missiles. We are talking about all types of ordnance being used to train our pilots and our ship crews, a very specialized training.

For those of us who are determined to make sure that our forces have the best training possible, this is the only place, according to a briefing that I had with the Deputy Secretary of Defense this week, the Air Force this week, the Navy this week, this is the only place east of the military mission line where this type of training can take place in America.

So those who are concerned, those of us who are concerned about this, are curious as to what will the motion to recommit have to do or speak to this area east of the military mission line?

It's very important to us. It's very important to our national security and to those fighter pilots who are going to be doing their training here before they get into a combat situation.

Mr. BOEHNER. Will the gentleman yield?

Mr. YOUNG of Florida. I will be happy to yield to the leader.

Mr. BOEHNER. I thank my colleague for yielding.

Mr. Speaker, it would be our intention in the motion to recommit to protect this military mission area.

After we lost our training area off the coast of Puerto Rico, I think all of us understand how important this area is to the training of our war fighters and the fact that it needs to be preserved for that purpose.

Mr. YOUNG of Florida. I want to thank the leader. This is important to most of us and to our military. So I thank the gentleman for his response.

Mr. RAHALL. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I appreciate the comments of the gentleman from Florida and his concern for the area off his coast, and I appreciate the minority leader's comments in response that he would be protected in the motion to recommit. We do protect him in this bill.

We met with the Florida delegation. We are perfectly aware of the concern of the Department of Defense to this particular area, the military training and equipment training that takes place therein. We are preserving existing law in our bill, which holds that area off-limits to drilling unless there is a memorandum of understanding between the Secretary of Defense and the Secretary of Interior. That is the current law that was enacted in 2006.

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

Mr. PEARCE. Mr. Speaker, I would recognize Mr. BROWN for 2 minutes.

Mr. BROWN of South Carolina. I appreciate the gentleman yielding.

Mr. Speaker, the argument that we have today is an argument that we have been discussing for a long, long time about our energy and energy independence.

We recognized, this past week, when the storm went through Houston, that we found another problem that we had. We were concerned about the price of gasoline.

Now we are concerned about the price, not the price, but the availability. What we need is more supply if we are going to compete in the world arena.

Some 70 percent of our energy today is coming from foreign sources. If you have been following the dialogue on the world market, Russia now controls most of the natural gas going to the European nations.

You notice from time to time there is a threat to cut that supply off. One day that's going to happen to America. With 70 percent of our energy coming from offshore from people that don't like us, we are going to have the same problem one day, a supply problem. Just like we had back with the oil embargo in the 1970s, the same situation is going to happen to us, even as we see some families now going to stations, and they say "out of supply today."

The bill we are looking at today concerns me. I represent the coast of South Carolina, some of the prettiest beaches in all the world. We would love to say there are alternate ways to find

our energy solutions, but we are willing, in South Carolina, to pay the price, just like in Louisiana, just like in Texas, just like some other places, California and other places, that are using their energy resources to help cultivate the economy of this great Nation.

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We recognize if we don't do all of the above, we are going to find ourselves in a Third World situation. We need nuclear power. We need wind, we need solar power. But we also need gas and oil. Gas is one of the best fuels we can find. We can burn it in our automobiles and we can burn it in our power plants. It is a clean-burning fuel, and we have an unlimited reserve off the Outer Continental Shelf. We need to be able to access those resources.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I wanted to reference today's New York Times editorial, not a Member of this body but the editorial page. It is titled, "Ms. Pelosi Compromise."

"This is obviously not the best moment for Congress to rush through an energy bill. The country is caught up in a heated Presidential campaign. Voters are furious at high gas prices. Republicans are happily pandering to that anger, while the Democrats fear it. And at the end of this month, just before Congress heads home for the election recess, the long-standing moratorium on offshore drilling is scheduled to expire—providing an opportunity for more grandstanding."

The editorial continues that "these are not sensible times, which means that Congressional Democrats, particularly House Speaker Nancy Pelosi, must try hard to make the best of a bad situation."

"The situation, briefly, is this: the Republicans have been bludgeoning the Democrats with the claim that Democratic opposition to offshore drilling is to blame for high fuel prices and that drilling is the answer, or one answer to the country's dependence on foreign oil.

"We find it hard to imagine that they really believe what they say. Drilling will have no impact on fuel prices for at least 15 years, if then, and any number of efficiency measures will do more to reduce the country's dependence than drilling for America's modest offshore reserves. But the chant of 'drill, baby, drill!' is playing far too well on the campaign trail for the Republicans to let the facts get in the way.

"The Republicans have offered bills that would provide broad access to the Outer Continental Shelf and in one case allow drilling as close as 12 miles from shore. So Ms. Pelosi is taking no chances. As early as Tuesday she is expected to unveil what she advertised as a grand compromise. The bill would allow drilling in all of the Outer Continental Shelf beyond 100 miles offshore from States that permit it."

The bottom line: "Ms. Pelosi's compromise deserves support. If it fails, the Democrats must fight to renew the moratorium. Otherwise, there could well be oil rigs within 3 miles of American shore."

Thank you, Mr. Speaker, and thank you to the New York Times.

Mr. PEARCE. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Speaker, the American people have made it clear that they support all-of-the-above energy solutions that increase the production of American-made energy, including offshore energy. Unfortunately, the Democrats' so-called energy bill is anything but an all-of-the-above energy bill.

The Democrat bill claims to expand offshore drilling, and yet it expands drilling in areas where there isn't any oil.

The energy bill also requires the States to opt in to allow offshore energy exploration off their coast. However, it doesn't even provide them with a share of the royalty revenues.

I think the American people would agree that we should be providing coastal States with incentives to produce energy, not discourage them. I strongly oppose any effort to treat California as a second-class State, and I am frankly surprised that the Speaker would support a bill that denies our State royalty revenue benefits that other States currently enjoy.

This bill does nothing to increase production of nuclear power, nothing for hydropower, and nothing to increase refining capability. This bill is hardly change we can believe in. In fact, this bill isn't change at all.

Mr. RAHALL. Mr. Speaker, I am prepared to close, so I reserve the balance of my time.

Mr. PEARCE. How much time remains?

The SPEAKER pro tempore. The gentleman has 5½ minutes remaining.

Mr. PEARCE. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. Mr. Speaker, we know that litigation has been stopping all of the attempts at drilling and will continue to do so unless there was something in the bill to end the litigation. So we know that is going to stop it. We know that this bill has an opt-in for States but won't give them a dime of revenue so they are not going to opt in.

So what this has become is akin to what I saw this weekend after the hurricane. On the radio and on the phone people were told that this gas station at such and such location now has gas. People would run down there only to find it was out of gas. That is what this bill does.

Here is energy; people are going to run out, and when they get there, they are going to find out there isn't any.

Mr. PEARCE. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. MCCOTTER).

Mr. McCOTTER. Mr. Speaker, two quick points as the debate draws to a close. First, I have to question again the use of the term "compromise." The use of the term "compromise" implies that the minority party was consulted, our advice was sought, that we could channel the wishes and aspirations and voices of our people into this debate as the legislation moves forward. We were denied that opportunity. Perhaps it would be best to clarify that this is a compromise amongst the Democratic Party itself and not amongst the majority and minority parties.

Secondly, this bill continues to ration energy. This is a government rationing of energy, and at this point in time when America needs energy production, it will not meet the needs of people who are suffering.

Mr. PEARCE. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Speaker, I want to thank the gentleman from New Mexico.

My comments on this last 1 minute are more on the process. I have spoken at length on the policy, or lack thereof. I thought it was ironic that we had Congressman ABERCROMBIE and Congressman PETERSON on the floor earlier speaking about their efforts to come up with a bipartisan compromise bill. I think they made a noble effort.

I went to JOHN DINGELL, the chairman of the Energy Committee, and asked if he would like to work with me on the Energy and Commerce section of the bill; and he said that, quite frankly, he wasn't able to do that.

I just asked DON YOUNG if he was ever asked by Mr. RAHALL to work on a bill in his committee, and Mr. YOUNG said that never happened.

My guess is that if I asked JIM MCCRERY, the ranking member of the Ways and Means Committee, if he was asked by Mr. RANGEL, the chairman, that Mr. MCCRERY would also say that he was never asked.

The point of fact is we have a 290-page bill that is being voted on the day after the evening it was introduced. There is no way you can have a substantive vetting, debate on this massive amount of legislation in less than a 24-hour period. And none of the relevant committees on a bipartisan basis have held a markup, have held a hearing, any kind of a legislative drafting session at all. And yet we are asking the 435 Members of this body and the delegates that are allowed to vote on the floor to vote on the most important domestic public policy issue before this Congress.

That is not fair to the American people. It is a disservice to the process; and for that reason alone, the bill should be voted down.

Mr. PEARCE. Mr. Speaker, may I inquire of the time.

The SPEAKER pro tempore. The gentleman has 2½ minutes remaining.

Mr. PEARCE. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, this debate has progressed for a long time, but made a very short distance. The American people have a right to expect that we would do our job, that we would do our job to ease the pain in their everyday life. They have a right to expect that we would increase the competitiveness of American companies so that we are able to hold a good, strong economy. They have a right to expect that we would give fairness to all States. They have a right to expect that we would use good common sense in establishing this bill.

Mr. Speaker, we are failing on every account in the bill that is before us tonight. When we should be establishing American dominance in the energy field, we are saying "no" to nuclear and "yes" to bicycle power. When we should be doing our job to find new clean coal technologies, we don't even mention them here. When we should be drilling for every amount of oil that we can find here to create American jobs and to stop spending \$700 billion overseas, we are limiting our ability to produce here.

We were told 2 years ago that we were going to see a plan, and tonight we were told we have new ideas. Those new ideas are riding bicycles and killing the American economy with higher fuel prices, hurting the American family with continued restrictions of supplies, putting ourselves strategically at risk by selling off the Strategic Petroleum Reserve.

Mr. Speaker, I request that all Members, Republican and Democrat, vote "nay" on the bill in front of us tonight.

Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Let me thank my colleague for yielding. Let's just stop and think for a moment about what our constituents are dealing with tonight as we stand here. They have got concerns about the economy, concerns about keeping their own jobs. They have concerns about whether they are going to be able to put gas in their car tomorrow considering the high price of gas. Or we have the home heating crisis about to come to us as they are filling their propane tanks and oil tanks and looking at the heating bills that are coming this winter.

And what are we doing? We are sitting here tonight in the middle of the biggest hoax I have seen in the 18 years I have been in Congress. It is a sham, and everybody in this Chamber knows it is a sham. I know those are strong words and words that I don't use lightly, but I want my colleagues to consider this for a moment.

We have a bill here that purports to be a compromise, but I don't know one Republican Member who was involved in one meeting with regard to this compromise. It was written by the Democrat leadership that runs this Congress in the dark of night on a napkin. It showed up here last night at 9:45, a 290-page bill at 9:45 last night that no Member had ever seen; and

guess what, as we stand here tonight, no Member has read.

All right, some Member, any Member stand up and tell me you have read this bill. That is what I suspected. Not one Member has read the bill that we are about to consider. No hearings on the bill, no committee action, no one has read, and the bill purports, purports to increase American energy. But I want you to consider this: 85 percent of the known reserves off of our coast on the Outer Continental Shelf, 85 percent at a minimum are locked up permanently under this bill. And of the 15 percent that are purportedly opened, the States would have to comply to open those Outer Continental Shelf reserves. But there is no revenue sharing to the States like there is in Texas and Louisiana and Mississippi and other areas. There is no revenue sharing, so the States have no incentive to want to open up the Outer Continental Shelf.

So how much new drilling will we get out of this bill? Zero. It is just zero. And there isn't a Member in this body who doesn't know it is zero. So when I call it a hoax or a sham, I think you all understand what I am trying to say.

No new nuclear plants in this bill, no new oil shale drilling in this bill. No clean-coal technology in this bill. We are the Saudi Arabia of the world when it comes to coal. We have clean-coal technology. Whether it is coal to gas, coal to liquid, we have ways to use our coal in a clean way. Nothing in this bill will allow it to happen.

What does it have in it? It has a big old tax increase in it; you can be sure of that.

What else does it have in it? It has a big earmark in it: \$1.2 billion for the City of New York on behalf of one Member in this bill. Here we are trying to take some steps toward energy security, and we have to load it up with a big old earmark, \$1.2 billion.

A compromise, huh? This is no compromise. The compromise might have been amongst a bunch of Democrat chairmen who wanted to have some bill, but there is no compromise here.

Let's just describe this bill for what it really is. It is nothing more than political cover on the eve of an election to say that we voted for an energy bill, except there is no energy in it.

Congressional approval today is at the lowest point in any time since polling began, and our Members wonder why.

□ 2100

And it's stunts like this that have the American people so cynical about their Congress. They expect that the Congress is going to do something about increasing energy security in our country; that we're going to do something about bringing down the high cost of gasoline; that we're going to do something about bringing down the high cost of heating oil or propane or natural gas this winter.

And what are we doing?

Playing political games on the eve of an election.

The American people understand that 70 percent of our oil comes from overseas. More than half of that comes from OPEC, who's considering lowering their production in order to maintain the high price of oil. We're just teetering, they're just teetering with us, kind of have us on a string because, over the last 30 years, my Democrat colleagues have stood in the way of more energy production in the United States. That's why we're in this box that we're in today. And we have a chance to do something. We have a chance to move in the right direction, but this bill isn't it, and there's not a Member in this Chamber who doesn't understand this bill doesn't do anything about bringing us any closer to energy security.

In a few minutes, we're going to have an opportunity for all of the Members on both sides of the aisle to do something of substance. The motion to recommit tonight will be the Abercrombie/Peterson bill. No changes. No tweaks, no nothing. And it's painful. And it may not be everything that I want, but let me tell you, this bill is a bipartisan bill worked on by serious Members from both sides of the aisle. It's a bill that does do all of the above. It gives us more drilling for oil and natural gas in an environmentally sensitive way off our coast. It does allow revenue sharing, revenue sharing to the States so they have an incentive to participate in helping to open up this area off our coast. It's got new nuclear in it. It's got oil shale drilling in it. It's got clean coal technology in it, and it's got a lot more money than the Democrat bill when it comes to putting money into renewables, trying to speed up their development to bring those renewables to market as soon as possible.

And so we've got a chance to do the right thing tonight for the American people. We can show them, once and for all, that we can work together across the aisle. We can show them that we can do something to move our country toward more energy security, because most Americans understand that energy security is paramount and is, in effect, our national security.

This bill that we're going to bring up under the motion to recommit will create a million new jobs here in America. And with all the talk about a stimulus bill, the greatest stimulus we could give our economy is to create a million new jobs, lower the cost of gasoline, lower the cost of heating oil, lower the cost of energy that will actually even create more American manufacturing jobs.

The question is, do we have the courage to do the right thing? Do we have the courage of our own convictions about doing what we know that we have to do as a country to move ourselves toward more energy security? Or are we going to show our constituents that, once again, Congress is up there playing political games with our future?

It's the American people. It's their jobs. It's their budget. It's their con-

cerns. They send us here to represent their interests, and it's about damn time that we represent their interests. And by voting for the motion to recommit tonight we can show them that we're working in a bipartisan fashion on their behalf.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would once again remind Members not to traffic the well while another Member is speaking. While the distinguished minority leader was speaking, another Member crossed across the well. That is not supposed to happen, and the Chair would ask all Members to remember that and honor it in the future.

Mr. RAHALL. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, my colleagues on both sides of the aisle, this has been a good debate that we've conducted today. It's been a debate that as we've heard for several months over the last time period in this body, we've had extensive debates in the House over the energy issue. We've had it on the House floor during consideration of various energy bills. We've had the debate during 1-minutes. We've had it during Special Orders. We've had it on bills that we've considered that have had nothing to do with energy, and we've even had a debate when the House was not in session.

We've heard repeatedly that the Republican Members want a straight up-or-down vote. That's what we're giving them by this rule today, and we're about to near that point.

It's regrettable that oftentimes the debate today has used the words hoax, sham, bait and switch, not serious, political gains, and I could go on and on about the venom that has been spewed from the other side. When it comes to political games and the bait and switch tactics that we've been alleged to be employing, I would say what is wrong when we're trying to represent the crying need and the desperate need of the American people.

We are politicians in this body. We know what the art of compromise is all about, or at least we should know what the art of compromise is all about. We know the diversity that exists within both sides, both caucuses in this body, and the diversity that exists among the American people. But we all are united. We all are united in trying to resolve the crying need that the American people are telling us today needs to be addressed.

This bill has worked with both sides of the aisle. In working with Representatives ABERCROMBIE and PETERSON, that has been working with the other side of the aisle.

We have also taken a lot of this language, not a lot of it, but elements of this proposal come from the so-called Senate Gang of 10 or 15, however many it is from the other body. Those that say this is dead on arrival over there, I think, are a little premature in their predictions.

In working with my colleagues that are cosponsors, Representative GENE GREEN, Representative GEORGE MILLER and Representative JOHN DINGELL, we have certainly reached out. Speaker PELOSI has been tremendous in her efforts, and as well as the leadership of STENY HOYER, JIM CLYBURN, CHRIS VAN HOLLEN and RAHM EMANUEL, and I certainly want to thank each and every one of them.

Charges have been made today that this bill does nothing to increase energy production. Indeed, the minority leader just said that. And I want to quote, by the way, in an August 2005 debate on this floor, when Minority Leader JOHN BOEHNER said that the GOP energy bill, remember that bill, the GOP energy bill of 2005 would bring down prices, writing, and I quote from Minority Leader BOEHNER at that time. "So what is being done to bring gas prices down? The Energy Policy Act of 2005 is a balanced bipartisan bill that will ultimately lower energy prices for consumers and spur our economy." End quote from Minority Leader JOHN BOEHNER addressing our energy concerns on August 19 of 2005.

The results speak for themselves. This legislation will increase domestic production of oil and gas. The offshore drilling provisions opened up from 63 to 80 percent. That's 309 up to 404 million acres of land off the Atlantic and Pacific coasts that are currently off limits to drilling. It depends, of course, on what the States decide. It goes beyond the bipartisan compromise proposal in the Senate, opening up the West Coast and the Northeast to drilling.

The offshore drilling provisions expands oil available by at least 2 billion barrels of oil, nearly 4 years worth of oil produced offshore in America and enough to power 1 million cars for 60 years. It also makes available enough natural gas to heat 6 million homes for over 42 years.

Now am I going to sit here and say that passage of this legislation is going to bring down the price of gas tomorrow or next month or next year? No, I'm not going to say that; just as the other side cannot say, no matter what is in their recommittal motion, that is not going to bring down the price of gas tomorrow, next month or next year either.

We need a comprehensive energy plan. This bipartisan effort, this, as we will see by the final vote on this bill, shows that we are making efforts to begin the road toward a comprehensive energy package. We have provisions in here for carbon mitigation, for carbon capture and sequestration for those who say there's no coal.

We provide \$1.1 billion of tax credits for the creation of advanced coal electricity projects and certain coal gasification projects that demonstrate the greatest potential for carbon capture and sequestration. Of these \$1.1 billion of incentives, \$950 million would be awarded to advance electricity projects and \$150 million would be awarded to



certain coal gasification projects. Coming from a coal State, as I do, this provision is important.

We also provide for the solvency for the Black Lung Disability Trust Fund in this legislation, something that is not inconsequential to those from coal States as well.

On the revenue sharing point, we have not provided for revenue sharing in this bill because these are the people's resources. These are the resources that belong to the American people by birthright and, therefore, the money gained through royalties should be shared with the American people, and revenue sharing is not a commonly accepted method of providing the revenues from royalty collection. I refer to the OCS legislation passed in 1954 which provided for no revenue sharing.

The only time Congress has provided for revenue sharing from these royalty leases is, as I said earlier, during Hurricane Katrina when the four States involved were in dire need of help to get back on their feet. So revenue sharing is not provided in this bill because we do not think a bribe is necessary for the States to opt in. The offer of new jobs, a new economy and all the related businesses thereto should be enough for a State if they want to opt in to this program to provide them incentives to opt in.

In regard to the fiasco that's recently been revealed to the American people, what has taken place in the Office of the Minerals Management Service in their Denver office, these are public servants entrusted with fiduciary responsibilities of ensuring that the American people receive a just return for the use of their resources.

This legislation sets up ethical codes of conduct. It prohibits acceptance of gifts and ski vacations and other extravaganzas that were being heaped upon these royalty collectors by big oil companies. This Committee on Natural Resources will have a hearing next Thursday and delve further into these hearings to see how much the American taxpayers were, once again, ripped off by the big oil companies.

In conclusion, Mr. Speaker, let me comment generally about this bill and the need to pass it this evening. It is a real comprehensive effort based on the need to move toward a comprehensive energy bill. Are we all happy with this? No.

As I said earlier, we are legislators. We know what the art of compromise is, and we know that this is a compromise between the "no drillers anywhere" and the "drill everywhere." That's what this bill is all about.

We cannot have opening all lands, all of our national monuments and other areas in this country to drilling and be fair with the American people. We must assure accountability. That's what we're doing with this legislation. As with all compromises, it does require both sides to give. And in return for a responsible opening of more of our offshore areas for drilling, our bill re-

quires oil companies to pay their fair share so that we can make a historic commitment to renewable energy future and alternative fuels and jobs for our people.

This bill puts us on the path toward energy independence. It protects our consumers. It provides transparency and accountability for the big oil companies. It strengthens our national security, it helps reduce global warming, the goals and the key ingredients that are needed for a comprehensive national strategy.

And I say to my colleagues, let's look forward of where this bill can go provided that there is that spirit of compromise from the other side, from the other body and from the other end of Pennsylvania Avenue. And I think, when all is said at the end of the day, rather than shut the government down, we will see that those in the middle, those who truly feel compromise is part of the legislative process, that compromise is what the American people are yearning for these days, in order to meet their high energy costs, that that is where we will be when all is said and done on the pending bill.

Again, I want to salute all of my colleagues that have worked so hard on this legislation on both sides of the aisle. I do not ignore the fact that there are certainly good-minded and fair-minded and compromise-minded individuals on the other side of the aisle. If only they were allowed to work their will as well.

So this is a good bill. I again salute everybody that has been involved, and I ask for its passage and a defeat of the motion to recommit.

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of H.R. 6899, and I thank Speaker PELOSI for bringing it to the floor today.

This Democratic energy plan increases domestic energy supply, ensures more renewable energy and greater energy efficiency, and protects the American taxpayers by making sure that Big Oil pays their fair share of royalties.

It takes strong action to lower the price at the pump, free our nation from its reliance on foreign oil, and create good-paying, green collar jobs right here in America.

Quite simply, it is the American-owned, 21st century energy policy the country has been waiting for.

My Republican counterparts have been advocating a "drill, baby, drill" approach, which supports any drilling, any where, any time, no matter the environmental consequences.

Instead, H.R. 6899 offers a responsible compromise on drilling, with strong environmental protections.

We don't need "drill, baby, drill" when we can have "change-baby-change."

That's what this bill gives us.

Mr. GOODLATTE. Mr. Speaker, during the month of August I was pleased to join over 130 of my Republican colleagues in Washington to represent the American people on the floor of this House. It is undeniable that the American people want us to develop our Nation's resources. This is demonstrated in poll after poll and exemplified with the meet-

ings I have with my constituents. I always hear: Congressman, we must do something about energy costs!

When I heard that the Speaker had announced she would be bringing a bill to the floor to allow us to expand energy production, I felt that we had achieved success for the American people. Yes, the Speaker did hear the calls of the American people demanding increased energy production, but she isn't bringing a bill to the floor to expand energy production. Instead, she is bringing to the floor a sham piece of legislation that seeks to only give political cover to vulnerable Democrats who disagree with the will of the American people.

Some have cited how this bill opens up areas of the Outer Continental Shelf, OCS. It may technically remove some of the barriers, but it does not include provisions to provide the traditional revenue sharing between the Federal Government and States for the income generated from these developments. What incentive do coastal States have to then develop their resources? I represent a coastal State, a State that has expressed strong interest in developing the resources on our OCS. I think the Commonwealth of Virginia should benefit from revenue sharing, just as Texas, Louisiana, Mississippi, and Alabama have. It is unfair for Virginia to be treated differently than these other States when sharing our resources.

Sadly, this isn't the only provision that will unfairly harm Virginia. This legislation also contains a one-size-fits-all Renewable Electric Standard. This legislation assumes that all States have the exact same amount of renewable resources and can develop them, and punishes them when they cannot with penalties. The costs of energy due to the Renewable Electric Standard, as estimated by just one of Virginia's many electric utilities, will increase \$900 million for its retail customers. My constituents are already paying high prices for energy; we don't need to further increase these costs! The fact is Virginia does not have as many wind and solar resources as other states. In Virginia, we have a voluntary RPS but our RPS contains nuclear and waste-to-energy, two things not allowed if this legislation becomes law.

Proponents of this legislation will tout how green this bill is; however, if my colleagues really want to promote green energy they should encourage the production of more nuclear sites which provide CO<sub>2</sub> emission-free energy. The rest of the world is far outpacing the U.S. in its commitment to clean nuclear energy. We generate only 20 percent of our energy from this clean energy, when other countries can generate about 80 percent of their electricity needs through nuclear. It is a travesty that this legislation does not once mention or encourage the construction of clean and reliable nuclear plants. Nuclear energy is the most reliable and advanced of any renewable energy technology, and if we are serious about encouraging CO<sub>2</sub>-free energy use, we must support nuclear energy.

Furthermore, this legislation does not even address some of our most promising domestic alternative and renewable energy supplies. There is not one thing in this bill that addresses clean coal technologies. Coal is one of our Nation's most abundant resources, yet the development of coal-to-liquid technologies is completely ignored by this bill.

What's even more troubling is the energy resources this bill continues to keep out of the hands of American consumers. The Democrats' legislation prohibits environmentally responsible exploration of American oil shale resources unless states "opt-in" to such a system and the bill does not allow local communities to share in the revenues generated from oil shale exploration. The Department of Energy estimates that 2 trillion barrels of oil shale exists within the United States, resources that the Majority does not seem to want to develop.

Furthermore, this legislation does not permit responsible exploration of the Arctic National Wildlife Refuge, known as ANWR, in Alaska. According to estimates by the U.S. Geological Survey, ANWR holds between 5.7 and 16 billion barrels of recoverable reserves, potentially producing nearly a million barrels of oil a day. Exploration and development in ANWR would open only 2,000 of the 19 million acres of the refuge, or the equivalent of an area one-fifth the size of Dulles Airport in an area the size of South Carolina.

This legislation does nothing to address the energy concerns of our country. This legislation only makes the situation worse and it is the product of a flawed process that does not have bipartisan support! If we really want to make our country energy independent, this Congress must pass an energy bill that allows and encourages the development of our Nation's resources. Americans are tired of Congress playing politics when they are in desperate need of relief from high energy costs. It is time for Congress to get serious and allow Americans increased access to their energy resources.

Mr. OBERSTAR. Mr. Speaker, I rise today in strong support of H.R. 6899, the "Comprehensive American Energy Security and Consumer Protection Act". This bill promotes energy savings for all Americans and advances the national security interests of the United States by reducing its dependence on oil.

In particular, I am pleased that this bill incorporates H.R. 6052, the "Saving Energy Through Public Transportation Act of 2008", which the House passed by a vote of 322-98 on June 26, 2008. The Committee on Transportation and Infrastructure also included these provisions in last year's House-passed energy bill, but unfortunately, they did not become law. At that time, decreasing America's demand for foreign oil was often lost in the debate, overshadowed by concerns over increasing our supply. But decreasing demand is one of the most immediate and effective ways we can deal with the high cost of gas and move America toward greater energy independence.

Americans understand this. They are riding transit more and driving less. Public transportation all across the country is seeing record ridership while the number of miles traveled in personal automobiles is falling. Last year, Americans took more than 10.3 billion trips on public transportation, the highest level in 50 years. In the second quarter of 2008, commuters took more than 2.8 billion transit trips nationwide, an increase of 5.2 percent. Meanwhile, use of personal automobiles is falling by record numbers when measured by vehicle-miles traveled, VMT. In fact, much of the recent drop in both crude oil and gasoline prices has been due to a reduction in demand.

People are making these choices based not only on the high price of gas, but also be-

cause of a very real desire to wean our country off our dangerous addiction to imported oil. At current rates, that means a saving of 1.4 billion gallons of gas a year, or 33.5 million barrels of oil. As transit ridership continues to grow, we can expect even greater reductions in oil consumption and demand. According to a recent study, if Americans used public transit at the same rate as Europeans—for roughly 10 percent of their daily travel needs—the United States could reduce its dependence on imported oil by more than 40 percent. This "mode shift" to transit should be a national goal, and strategies to achieve it should be at the forefront of any well-rounded energy debate.

Unfortunately, this lesson appears to be lost on the Bush administration. Although voters continue to approve state and local ballot initiatives to support public transportation, the administration has opposed increased funding for transit to help public transit agencies keep pace with the rising costs of fuel and the demand for more transit service. In fact, by stressing the need for new transit projects to meet "cost-effectiveness" benchmarks above all other criteria, the administration has stunted or stifled altogether much needed growth in transit. And this short-sightedness couldn't be happening at a worse time.

According to a recent study by the American Public Transportation Association, 85 percent of public transit systems nationwide are experiencing capacity problems due to the unprecedented rise in ridership. The survey revealed that 91 percent of public transit agencies report that they are reaching the limit in their ability to add service to meet increasing ridership demands. Further, more than 60 percent of the transit systems report they are considering fare increases and 35 percent are considering service cuts, some for the second time in less than a year.

Just as high gas prices and the desire to use less foreign oil are inspiring more Americans to take the train or bus to work rather than drive alone, our Nation's public transportation systems are facing budgetary nightmares and high fuel prices of their own that may cause them to be unable to meet any further growth in transit ridership. This bill recognizes the importance of funding public transportation to further our energy savings and security goals.

Specifically, H.R. 6899 authorizes \$1.7 billion over two years for grants to transit agencies nationwide to temporarily reduce fares, expand services, or offset the increased cost of system and fleet maintenance to meet the needs of the growing number of transit commuters.

It also allows transit agencies to use these new grants to offset the increased cost of fuel or to acquire clean fuel or alternative fuel vehicle-related equipment or facilities. In addition, transit agencies may use these grants to establish or expand "commuter matching services", to provide commuters with information about alternatives to single occupancy vehicle use.

H.R. 6899 increases to 100 percent the Federal share for clean fuel and alternative-fuel transit bus, ferry, or locomotive-related equipment or facilities, thereby assisting transit agencies in becoming more fuel efficient.

This legislation extends the Federal transit pass benefits program to require that all Federal agencies offer transit passes to Federal

employees working in metropolitan areas with existing transit systems throughout the United States. Current law limits this program to Federal agencies in the Washington, DC, metropolitan region. This provision will provide more Federal employees with the incentives to choose transit options, thereby reducing their transportation-related energy consumption and reliance on foreign oil.

Finally, H.R. 6899 creates a national consumer awareness program to educate the public on the environmental benefits of public transportation alternatives to the use of single occupancy vehicles.

Mr. Speaker, public transportation in all its forms—buses, light rail, subways, to name a few—saves fuel and reduces our dependence on foreign oil. Increasing the use of public transportation by providing Americans the good transit service they want and need must be an important part of a holistic national energy policy.

I strongly urge my colleagues to join me in supporting H.R. 6899.

Mr. MARKEY. Mr. Speaker, I rise in strong support of this bill.

This energy bill is truly a comprehensive energy plan. I commend the great work of the gentleman from West Virginia, Chairman RAHALL, and Chairman DINGELL and Chairman MILLER in crafting this balanced legislation. I also want to commend Speaker PELOSI and Majority Leader HOYER for their leadership in pulling together what is truly a bipartisan approach that Members from all regions should be able to support.

The Republican leadership says that they want an "all of the above" energy plan. Well, today we get to see if they are serious, or if they have simply been playing politics. This energy bill is a comprehensive energy package that will protect consumers, unleash the renewable energy revolution, increase energy efficiency and conservation and even expand areas for domestic oil production.

While the Republican leadership and the Bush administration have said that they want "all of the above," for the 6 years that they controlled the White House, the House and Senate, they did almost nothing to increase our use of renewable energy and energy efficiency. For 8 years, the two oil men in the White House crafted an energy policy that put the interests of the American Petroleum Institute over the American people, and consumers are now paying the price at the pump for that failed fossil fuel agenda.

One of the first actions the Bush administration took in 2001 after entering the White House was to convene the secret Cheney Energy Task Force to meet with executives from the oil industry and craft an energy policy. Then the Bush administration and the Republican Congress passed an energy bill in 2005 that gave billions of dollars to the oil and gas industries while nickel-and-diming renewables.

And in this Congress, the Republican leadership has followed the marching orders of the Bush administration and voted 13 times to block legislation that Democrats have brought to the floor to increase our use of renewable energy, help protect consumers from high energy prices and ensure that big oil pays its fair share. While the Republican leadership says they want "all of the above" they have repeatedly chosen "none of the above" and voted against these measures. But here they are

today, crying crocodile tears that all these policies that they have spent their entire career opposing have not been implemented.

The Republican leadership says they want “all of the above,” but here they are today, once again opposing a truly comprehensive, compromise energy bill that will not only increase our use of renewable energy but will also provide for more drilling. Perhaps that’s because it’s not “all of the above” that the Republican leadership and big oil are really concerned with, it’s really only “all that’s below”—all the oil that’s below our beaches 3 miles offshore, all the oil the below our national parks, all the oil that’s below our most pristine wilderness areas.

The comprehensive energy bill that we are considering today will build on last year’s tremendous energy bill accomplishment. This bill will adopt a National Renewable Electricity standard to require that 15 percent of the electricity that we generate in 2020 come from renewable sources and efficiency and will create 100,000 jobs. By further increasing the efficiency of our buildings, this comprehensive energy bill will save consumers \$200 billion on energy costs. This comprehensive plan will extend the vital tax incentives for solar, wind and other renewables, and ensure that they are paid for, which will prevent the loss of \$19 billion in investment and 116,000 jobs next year in these industries. And this comprehensive plan will protect more than 5 million Americans from an impending home heating crisis and an increase in the heating bill of the average family of nearly \$600 this winter by funding the Low-Income Home Energy Assistance Program.

And the Republicans say they want more offshore drilling, well this bill does that. I remain skeptical that additional offshore drilling will do anything to lower prices but this compromise bill ensures that there will be proper protections for Georges Bank off the coast of New England, which is one of our Nation’s most important fisheries, and that if we are going to open more areas to drilling we first ensure that big oil cannot continue to drill for free on public land and reap billions of dollars in unnecessary tax breaks at a time when they are making record profits. With the renewable energy revolution that we will unleash with this bill it will make any additional drilling unnecessary in 20 years.

The comprehensive energy bill that we are considering today, combined with the energy bill that Democrats passed in December, means that Democrats in the 110th will have passed energy bills that achieve one-third of the reductions in global warming pollution needed by 2030 to save the planet and eliminate nearly twice the oil we currently import from the Persian Gulf.

After 8 years of running on a Bush-Cheney-Big Oil energy plan, America, it is time for an oil change! It’s time to change our dependence on foreign oil and OPEC. It’s time to change from the dirty fossil fuels of the past to the renewable energies of the future. It’s time to change to invest in wind and solar. It’s time to change to start building green to save families money. The Republicans like to say “drill, baby, drill,” but for our Nation’s energy policy the American public is saying it’s high time we started saying “change, baby, change.”

Vote “aye.” Vote for change.

Mr. STARK. Mr. Speaker, I rise today to support a comprehensive energy bill, H.R.

6899, that will help to end our addiction to foreign oil and will move our Nation toward a clean energy economy.

For nearly 8 years, we have seen the consequences of policies made by an administration that was literally “in bed” with the oil companies, as evidenced by the recent scandal at the Mineral Management Service, MMS. Profits for Exxon-Mobil and others are setting records, while family budgets are stretched to the breaking point by high energy prices. Rather than putting forth real solutions, the President and his congressional Republican enablers have offered a regressive plan and a slick political slogan that amounts to more giveaways to oil companies with nothing that will lower prices in the short-term or move our Nation away from fossil fuel dependence in the long-term.

The Democratic Congress, in contrast, has already passed legislation, H.R. 6, to raise fuel economy standards to 35 mpg by 2020—the first increase in a generation. Reaching the 35 mpg threshold will save 1.1 million barrels of oil per day, more than 10 times the amount of oil that offshore drilling will be producing in 2020. By 2030, we will be saving 2.5 million barrels a day, or the same amount that we import from the Persian Gulf. That is a real solution.

I agree with the Department of Energy’s assessment that expanded drilling will only reduce prices at the pump by 3 or 4 cents and not for another 10 years in the future. However, I support the legislation before us today because it represents a commonsense compromise on drilling that protects the environment and allows individual States to decide whether drilling off their coasts is appropriate.

But this legislation is about much more than drilling. It is a comprehensive plan that takes steps to lower gas prices in the near term by releasing oil from the Strategic Petroleum Reserve and fully funding energy assistance programs so families can heat and cool their homes. It reigns in the excesses of oil companies and ensures that they pay their fair share back to the taxpayer when they drill on public lands. Accountability will be restored to the scandal plagued MMS by enacting tough new laws with criminal penalties for MMS employees who engage in unethical behavior with the very oil companies they are charged with regulating.

Finally, this bill ends our dangerous reliance on fossil fuels and confronts global warming. This legislation establishes a Renewable Portfolio Standard that will mandate 15 percent of electricity to be generated from renewable sources by 2020, lowering the demand for coal and other dirty fuels. It makes an \$850 million yearly investment in public transportation so that cities and States can expand services. In addition, the legislation will provide incentives for the production of renewable energy and will modernize energy efficiency codes for buildings.

The Comprehensive American Energy Security and Consumer Protection Act is a real solution to America’s energy needs. It may not satisfy the “drill, baby, drill” crowd, but after suffering through their failed policies for the last 8 years their slogans are little more than hot air.

I urge all of my colleagues to support this legislation.

Mr. CARSON. Mr. Speaker, the American people are hurting and in need of immediate

relief. And the relief they need extends beyond their urgent need for lower energy costs. Mr. Speaker, the American people also need jobs and they need them now.

And I am proud to say that this bill seeks to achieve both—it seeks to lower energy costs and create jobs. This legislation will create several green jobs by providing tax incentives to companies that invest in renewable energy resources.

The creation of green jobs was the focus of a forum I recently hosted in my district. For too many years, hardworking Hoosiers have seen good-paying manufacturing jobs leave the great State of Indiana. Through the creation of green jobs, this bill will boost our economic performance and lessen our dependence on foreign oil.

I am proud to support this legislation.

Mr. THORNBERRY. Mr. Speaker, the approval ratings for Congress are at record lows, and it is no wonder. The American people see that too often this Congress has played partisan games rather than confronting the issues head-on in a straightforward way. Today the games continue.

The Democrats’ Energy Bill is a fig leaf designed to cover a political problem. It is not real. Rather than untie our hands so we can produce more energy of all kinds here at home, in many ways this bill makes it harder.

In several important areas of energy production, this bill does nothing.

This bill does nothing to develop more nuclear energy.

This bill does nothing to build more refineries.

This bill extends the wind tax credit by only 1 year, but does nothing to make it easier to plan and finance the large investments that are necessary to build wind farms.

Even on drilling off our coasts, this bill replaces a temporary ban that will expire 2 weeks from today and with a permanent ban on exploring and producing where most of the oil is. It prohibits all drilling within 50 miles of the coast line, where the Minerals Management Service says 88 percent of the oil is located.

From 50 to 100 miles, States can choose to drill, but get no royalty payments—none. So there is little incentive for them to allow drilling even for the 12 percent of the oil that may be there.

Drilling can occur more than 100 miles away—which is technologically impossible in some areas. But even where it is possible, this very same bill repeals the existing tax incentives which encourage deep water drilling.

Of course, should a new drilling opportunity slip through these new regulations and restrictions, lawsuits are ready and waiting to shut it down, and this bill does nothing to limit them.

There are many good, serious energy proposals that have been introduced in this Congress. Over a year ago, for example, I introduced the “No More Excuses Energy Act,” a bill that would encourage energy production of all kinds here at home. Unfortunately, the legislation that we are discussing today is just another excuse not to take real action to solve our energy shortfalls.

It hardly seems too much to ask to allow this House 2 or 3 days to go through the various ideas, allowing members to vote according to their districts and their consciences. Energy is that important, that central to our country’s security and quality of life. Instead, this

charade will disappoint the American people yet again on the issue that most directly affects their family and well-being. We can and should do better.

Mr. LANGEVIN. Mr. Speaker, I rise today in strong support of the Comprehensive American Energy Security and Consumer Protection Act, and I would like to thank the Democratic Leadership of the House of Representatives for bringing this critical bill to the floor. In my home State of Rhode Island, the high cost of oil and gas have become the top concern for families and businesses struggling to keep up in today's economy. This legislation promotes short term solutions to increase supply of domestic oil and gas, while establishing a long term national energy policy that invests in the development of renewable energy resources.

This legislation will open the Outer Continental Shelf to responsible oil and gas development between 50 and 200 miles off the coast, requiring state approval between 50 and 100 miles. It will protect national marine monuments and sanctuaries, as well as the Georges Bank fishing area off the coast of New England. Further, the Interior Department will be required to ensure that drilling is only approved if it can be done in a manner that protects the coastal environment, marine environment, and human environment of the State coastal areas and the Outer Continental Shelf. We cannot sacrifice the health of our coastlines and the people who live there, and I am pleased that this bill takes a safe and responsible approach to domestic drilling.

While I support the provisions to increase domestic oil production, I have said time and time again that we cannot drill our way out of our national energy crisis. The U.S. represents 25 percent of the world's daily oil consumption, yet we only have two percent of the world's reserves—relying solely on new production simply doesn't add up. Under this bill, revenue from domestic offshore production will be reinvested into the development of renewable energy resources, such as wind, solar, and bio-fuels, to bring clean, affordable solutions to our Nation. I also strongly support a provision in this bill to require electric power companies to produce at least 15 percent of their electricity from renewable sources by 2020. Furthermore, the legislation includes several proposals requiring the Department of Energy and Department of Housing and Urban Development to create new efficiency standards for both residential and commercial buildings and to help educate consumers on how to become more energy efficient, therefore limiting our demand for foreign oil.

I am also pleased to see tax credits included for the promotion of more energy efficient appliances and vehicles. Increased demand for green products will bring new jobs in green technology to our communities. Further, because this bill rolls back tax breaks to big oil and uses revenues from drilling to pay for the increased investment into renewable resources, we will not leave debt behind to be paid for by future generations.

I believe that it is critical for our nation to achieve energy independence and to end our reliance on foreign oil, while preserving our environment for future generations in a fiscally responsible manner. The Comprehensive American Energy Security and Consumer Protection Act reaches a careful balance in support of these efforts, and I am pleased that

this Congress is putting the safety and security of our Nation's families ahead of excessive industry profits. I urge my colleagues to join me in support of energy independence by voting yes on the Comprehensive American Energy Security and Consumer Protection Act.

Ms. HARMAN. Mr. Speaker, I rise in support of the Comprehensive American Energy Security and Consumer Protection Act, but as a Representative of America's most stunning coastline, I do so with some reservations.

There is much to like in this bill. It includes long-sought alternative energy tax credits, which are essential to the continued development of the emerging clean energy industry.

It also requires utility companies to generate more power from renewable energy sources (following the lead of my home State of California), creates a reserve to pay for future research and development of clean renewable energy and energy efficiency technologies, and requires the adoption of more energy efficient building codes.

These are all serious, much-needed answers to our energy crisis—reasoned, carefully crafted, and targeted toward moving us into a new era of clean energy.

That is not, unfortunately, the path pursued in other parts of the bill, particularly those that concern off-shore drilling.

We've heard a lot about drilling these days. "Drill, baby, drill," or so the chant goes. It's a nice pep rally cheer, a clever soundbite. But it's not serious policy, and everybody knows it.

Here are the facts. Oil is traded on a global market, which sets prices based on global supply and global demand.

Given the staggering amounts of oil that the world produces and consumes every day, only a staggering amount of new supply will affect price (particularly given the skyrocketing demand for oil in China, India, and the rest of the developing world).

The amount of oil off the coasts of the United States is very far from staggering. Paltry is more like it.

According to the Bush Administration's own Energy Information Administration, even if we opened the entire Outer Continental Shelf for drilling tomorrow, it would take years (possibly up to 2030) for that oil to hit the market.

And then, all that drilling would only increase our domestic production by 200,000 barrels of oil per day.

The world consumes around 80 million barrels of oil per day. This new production would be a tiny drop in an ocean of oil.

Even the Bush Administration concedes that the impact on oil prices from such a minuscule increase would be, and I quote, "insignificant."

And what do we risk for this "insignificant" increase in supply?

A few oil companies will make a little more money. But we'll also put the (mostly) pristine California coastline—an environmentally fragile yet economically indispensable asset—at the mercies of chance, human fallibility, and the ability of new oil rig technology to withstand the inevitable big quake.

That's not a risk that I'm willing to take.

Fortunately I'm not alone. Leadership wisely gave states some discretion. The bill would forbid drilling within 50 miles of the coast, and only allow drilling from 50–100 miles if a state "opts-in" (affirmatively passes a law allowing drilling).

I am confident that California is unlikely to ever "opt-in."

My strong preference is to retain the moratorium against off-shore drilling, but we don't have the votes to do that. The Democratic Leadership asserts that this compromise is necessary to avoid the calamity of a drilling free-for-all off our coasts. Many in the environmental community and leading newspaper editorial boards in California and around the country concur.

In that case, I can live with it.

I wish we could do better. The American public is engaged. The media is devoting front-page articles to energy issues. We have the chance to make a significant difference in the way our country thinks about and uses energy.

Portions of this bill take big leaps in that direction, and Leadership should be commended for standing by these priorities.

I hope that my three grandchildren will eventually be the beneficiaries of this foresight.

Mr. ORTIZ. Mr. Speaker, I rise today in support of H.R. 6899, the Comprehensive American Energy and Consumer Protection Act.

I appreciate the hard work that the sponsors of the bill—Chairmen DINGELL, RAHALL, and MILLER and my fellow Texan, Chairman GREEN—have put into crafting this legislation.

They considered different viewpoints and different approaches to the energy issue and came together in an inclusive manner that will lead us down the right path.

We have heard from our constituents, time and time again, that we need to become more energy independent and we need to produce more of our energy supply domestically.

We have heard from our constituents, time and time again, that we need to invest in the future and develop alternative energy resources, such as wind and solar power.

We have heard from our constituents, time and time again, that we need to provide tax credits so that our businesses have the incentive and opportunity to produce more energy.

And, we have heard from our constituents, time and time again, that we need to act on lowering the price at the pump, which is adversely affecting many south Texas families, farmers, and small businesses.

We can look forward to a balanced plan that expands both conventional and renewable energy resources. It will provide for new domestic drilling opportunities, both off shore and on land. It will release oil from the Strategic Petroleum Reserve. It will spur companies and businesses to do more research and more exploration. It reforms the way royalties are paid between the Government and the oil companies. It provides incentives to conserve our energy use and raise energy efficiency standards.

This legislation is a compromise. It directs us in the right direction towards energy independence. My colleagues have called for an all of the above approach when it comes to the energy issue. I believe we have accomplished that.

Mr. NEAL of Massachusetts. Mr. Speaker, as the House considers tax legislation to promote the development and deployment of alternative and renewable energy technologies, I rise today in support of the proposed plug-in electric drive motor vehicle tax credit and, in particular, making the tax credit even more robust and immediate by including in the credit road-certified two-wheel vehicles and low-

speed neighborhood electric vehicles. I support the underlying bill, but hope as it progresses that this clean energy incentive may also be included.

I know that House Ways and Means Committee Chairman RANGEL and the House Leadership are committed to renewing existing energy tax provisions and enacting new incentives for environmentally-friendly, domestic energy production. And I believe that the tax credit for plug-in electric drive vehicles is a critical component of that commitment. This tax credit will encourage the ongoing efforts to develop and bring to the marketplace the technology that will be necessary for these vehicles to become a common occurrence on our roads and highways. Tailpipe emissions from the combustion of gasoline and diesel fuel are by far the largest contributors to climate change and the air quality problems that exist in many regions of our country. This tax credit will go directly at addressing these issues by displacing foreign oil with electricity that is domestically produced with—it is my hope—a significant and growing renewable component.

The plug-in electric drive vehicle tax credit is so vital to our alternative and renewable energy priorities that it should begin working as soon as it is enacted, but it can only do so by expanding the credit to include both road-certified two-wheel vehicles and low-speed neighborhood electric vehicles, which are now in retail production. These vehicles are specifically designed to address the short-haul transportation needs of urban and suburban communities. Because the first mile of a trip creates the most tailpipe emissions, these vehicles can play an important and significant role in mitigating the unique contribution of urban and suburban transportation to our air quality and climate change problems.

If enacted, the plug-in electric drive motor vehicle tax credit will be an important element of our policy to encourage the development and deployment of alternatives to the consumption of foreign oil. As the manufacturers of electric drive two-wheel and low-speed vehicles already are demonstrating, this policy also has the added benefit of creating quality jobs here in the U.S.

While the technology for plug-in electric cars is still being developed, road-certified two-wheel vehicles and low-speed neighborhood electric vehicles can begin reducing our reliance on foreign oil today, and including these vehicles in the tax credit will help develop a consumer market for them, just as the credit will help create a market for plug-in electric automobiles and trucks that are expected to come on-line in a few years.

Again, I thank the Speaker and Chairman RANGEL for their important work on the critical issue of ensuring our Nation's energy security.

Mr. SHAYS. Mr. Speaker, this energy bill is a missed opportunity to have meaningful debate on America's energy needs and constructive compromise about America's energy solutions.

High energy costs are bringing down our economy; energy bought from overseas is depriving us of American jobs; and foreign purchases of energy is transferring \$700 billion to countries that would do us harm.

I strongly believe in a comprehensive energy policy that includes conservation, renewable sources, nuclear power, and American oil and natural gas.

H.R. 6899 brings us closer, but is silent on several important issues. Regrettably, the au-

thors of this bill have refused to allow members to make any amendments.

I am grateful this legislation encourages investment in renewable energy technologies by extending the production tax credit for wind, solar, geothermal and biomass. This measure provides the much-needed assurance that investors need to start developing these technologies.

I am also grateful H.R. 6899 would establish a Renewable Energy Standard, requiring electricity companies to produce 15 percent of their electricity from renewable sources by 2020, although I have advocated increasing this standard to 20 percent by 2020.

The bill also repeals the moratorium on drilling on the Outer Continental Shelf, OCS, and would allow states to "opt-in" to drill between 50 to 100 miles off of their coast. Unfortunately, without revenue sharing, I am concerned states will have little incentive to develop these resources.

I would have particularly liked to have seen revenues derived from these leases directed towards further renewable energy investment, so that American oil and natural gas would pay for the renewables we all want.

Although I will vote for this bill, I believe this is a missed opportunity for meaningful, bipartisan debate and a better bill.

Mr. RAMSTAD. Madam Speaker, I rise today in strong support of this bipartisan comprehensive energy bill that opens offshore areas to drilling, provides incentives for the development of renewable energy, clamps down on speculators and requires oil companies to drill on 69 million acres of leased land and water.

I oppose the alternative bill, which would give coastal states that support drilling over \$40 billion from oil and gas royalties over the next 10 years. After 2019, the federal government would be required to transfer to coastal states nearly 40 percent of all federal revenues from offshore oil and gas drilling (\$6 billion every year).

Even the Administration has told us that such a cost would be too high!

We should not hand coastal states billions of federal dollars, while giving them undue influence over national resource management. And, despite its cost, the alternative plan would do little to increase the supply or reduce the price of oil, according to the Department of Energy.

Congress should debate offshore drilling on its own merits without using resource revenues to buy votes. Our nation needs a comprehensive energy reform policy that will boost supplies of all types of energy, reduce our dependence on foreign oil and lower gas prices. The American people deserve nothing less!

Mr. UDALL of Colorado. Mr. Speaker, I support this legislation that will help provide price relief for American families, open up new areas for domestic energy production, and assist us to make the transition to a new energy economy that will reduce our dependence on imported oil—all without adding to the federal deficit.

While this bill is not perfect—I would prefer to see the more comprehensive approach embodied in my "American Innovation, American Energy" plan—it is a step in the right direction and deserves approval.

It will help us address gas prices in the short term by including a provision (as does my energy bill) to release additional oil from

the Strategic Petroleum Reserve (SPR). This release would provide for a quick increase in the supply of petroleum in our consumer market and so could reduce the likelihood of further short-term increases in the price of gasoline and other refined products. And, it will do this in a way that is both cost-effective and protective of our national security interests.

Under the bill, the Energy Department (DOE) would sell at least 20 million barrels of light grade oil now stored in the Strategic Petroleum Reserve, and sales would continue for 6 months or until 70 million barrels have been sold, whichever comes first. But the draw-down would not be permanent because the bill would require the energy department to acquire, through purchase (using money from the sales) or exchange, heavy grade petroleum for storage in the strategic reserve, to replace the light grade petroleum that would be sold.

Right now, slightly more than 700 million barrels of oil are stored in the strategic reserve—so the amount to be sold under the bill would be only about 10 percent of the amount on hand.

Importantly, the bill specifies that the amount of oil stored in the strategic reserve could not drop below 90 percent of the amount stored when the bill is enacted. The most recent data I have seen indicate that the reserve is currently filled nearly to capacity, so the bill will not cause a significant reduction in the amount stored.

Furthermore, this bill will help diversify the type of oil in the SPR, meaning that this bill not only is compatible with the national security purposes of the SPR, it can actually assist in achieving them.

This bill will also require that oil companies pay their fair share of royalties on flawed leases granted in 1998 and 1999. Because of mistakes made by the Interior Department, oil companies holding 70 percent of leases issued for drilling in the Gulf of Mexico in 1998 and 1999 became exempt from paying any royalties, costing American taxpayers about \$15 billion.

And the bill will address the recently discovered ethical problems within the Department of Interior's Mineral Management Service (MMS)—problems that were particularly rampant at the MMS office in Denver.

Numerous government employees were found to have very inappropriate relationships with employees who worked for the very companies they were regulating. This bill will increase penalties for both MMS employees and companies that hold oil or gas leases, strengthen the MMS code of ethics, and strengthen the office of the Inspector General, which uncovered these problems.

But, Mr. Speaker, this bill recognizes that short-term solutions and fixing past problems are no "silver bullets" for the factors that have led to the current high price of oil and products such as gasoline that are made from oil. We need long-term solutions as well.

This bill includes opening up new areas of the Outer Continental Shelf (OCS) to oil and gas drilling. Specifically, the bill would end the current moratorium on OCS drilling and would permit leasing between 50 and 100 miles offshore if a State "opts-in" to allow it off of their coast, while providing protection for environmentally sensitive areas. I think that is a critical component of this provision—states must be able to have a say in drilling activity within their territory.

A separate provision in the bill deals with Federal lands that have been leased for energy exploration and development under the Mineral Leasing Act but where such activities have not yet occurred—yet another provision that is also in my energy plan. While it is important to understand the reality that oil and gas exploration is a complicated commercial and scientific enterprise involving efforts not easily fitting within strict regulatory timelines, I think that this is a reasonable response to current conditions. In essence, it would bar the current holders of federal mineral leases—whether for onshore or offshore areas—from obtaining additional leases unless they are able to show that they are “diligently developing” the leases they already hold. The Secretary of the Interior would be responsible for spelling out in regulations exactly what would be needed to show such “due diligence.”

These provisions also include a requirement for the Department of the Interior to offer at least one lease sale annually in the National Petroleum Reserve in Alaska. This is an area of well-established potential that was initially made available for leasing in the Clinton Administration, and with regard to which the current Administration just today announced that 2.6 million acres would be offered at lease sales in the near future. Dictating a leasing timetable in legislation is unusual, and I have reservations about that approach—but the potentially beneficial effects on prices from tapping the reserves in this part of Alaska are undeniable.

In addition, the bill would reinstate a ban on the export of Alaskan oil that was previously a matter of federal law. Oil is a globally-traded commodity, so the effect of this will be limited, but it to an extent might reduce the extent to which imports are used to supply the domestic market.

And the bill calls on the President to use the powers of his office to facilitate the completion of oil pipelines into the National Petroleum Reserve and to facilitate the construction of an Alaska natural gas pipeline to the continental United States to move the product to market. These are only exhortations, but I see no objection to their inclusion in the legislation.

I am particularly pleased that the measure before contains a provision that I authored, along with Representatives TOM UDALL and TODD PLATTS, to establish a Renewable Electricity Standard (RES). This provision will require utilities to acquire 15 percent of electricity production from renewable resources by 2020. While I would prefer to see us adopt a RES of 20 percent by 2020, as we have in Colorado and as is in my energy plan, establishing a 15 percent by 2020 is a good step in the right direction.

As co-chair of the Renewable Energy and Energy Efficiency Caucus, I am especially pleased to see the bill include needed extension for tax credits for renewable energy. The Production Tax Credit (PTC) in particular has been instrumental in promoting the creation of a renewable energy industry. An extended PTC will provide more market certainty and we must have an extension of this key tax credit before the current credit expires at the end of 2008.

I must add that, while I am pleased that the bill provides a three year extension of the PTC for most renewable energy sources, I am concerned that it only provides a one-year extension for wind energy. Wind is a very promising

renewable energy source and a one year extension will not be as helpful for the industry. I will continue to lead the fight to extend the PTC for more than one year in fact, my energy plan includes a four year extension of the PTC for all renewable energy sources.

The bill also extends the Investment Tax Credit (ITC) for solar energy, qualified fuel cells, and microturbines for eight years. The ITC will help companies with initial investment costs in expanding these renewable energy sources across the country.

The bill also authorizes new clean renewable energy bonds (CREBS) for public power providers and electric cooperatives. This is a critical tool, especially for Colorado's rural co-ops and municipal utilities.

Of course, the cheapest kilowatt of energy is the one you don't use and energy efficiency also has a key role in addressing our energy needs. This bill will provide incentives to lenders and financial institutions, including the Federal Housing Administration, to provide lower interest loans and other benefits to consumers who build, buy or remodel their homes to improve their energy efficiency. It will also establish a residential energy efficiency block grant program to improve the energy efficiency of housing.

Transportation is another area of high energy use and public transportation is becoming more and more necessary as gas prices continue to rise. This bill establishes \$1.7 billion in grants to transit agencies for the next two years, which will help reduce transit fares for commuter rail and buses and expands service.

While I would like to see much more for transportation, such as the increase in vehicle efficiency and additional advancements in alternative fuels that are included in my energy plan, this public transportation provision is a good start.

I maintain strong reservations about the pace at which this Administration is pursuing oil shale development in Western Colorado. Before commercial leasing occurs, we need to know more about oil shale development's impacts on water and local communities.

Until those questions are answered, I do not believe that the federal government should rush ahead with oil shale leasing and I therefore have been fighting, with my colleague Representative JOHN SALAZAR, to ensure that the necessary research and development can be completed before we move ahead. I have also been fighting to ensure that the State of Colorado has a voice in the development of oil shale, so that the wisdom of Westerners can help us avoid the pitfalls that have sunk oil shale development in the past.

At the end of this month, the moratorium on commercial oil shale leasing is scheduled to expire. In the event it does, I believe that the state of Colorado should have a safety valve so that it can determine the pace of oil shale development within its borders. Section 171 of the energy bill currently before the House aims to create that safety valve, and to ensure that regardless of the Administration's desire to rush ahead with oil shale development at all costs, Colorado and other states can control the pace of development.

In conclusion, Mr. Speaker, I think this bill deserves support. But it certainly is not all that is needed in terms of energy policy. We need to do more.

I think we need to look at increasing mileage standards for new cars and trucks. Spe-

cifically, I believe we have the technology to require that all new vehicles achieve 35 miles per gallon by 2015 and, with additional American innovation, we can achieve 50 miles per gallon by 2030. I also think we need additional incentives for Americans to purchase high efficiency vehicles and for manufactures to produce many vehicles that use alternative fuels. And we need to aggressively pursue development of alternative energy sources, including solar and wind power, in order to reduce our dependence not just on imported oil but on all fossil fuels. We also need to work even harder to increase energy efficiency, so that we get a greater payoff from all energy sources.

I hope today we can move this bill forward and promote positive change that will benefit our families and rural communities, save consumers money, reduce air pollution, and increase reliability and energy security.

I strongly encourage my colleagues in the House to vote for this needed legislation, and also encourage quick action in the Senate so that we may move it to the President's desk.

Mr. HOLT. Mr. Speaker, there is no denying that America is suffering from an energy crisis. My constituents are paying record prices at the pump, they are paying higher prices for food and commodities. This problem is only going to get worse this winter when they will be paying 15 percent more to heat their homes than last year. With family budgets already being stretched to the breaking point, Congress needs to act and to act quickly to address this problem. This will require both long term solutions that decrease our reliance on fossil fuels and imported fuels and short term solutions which will help bring down the price of energy now.

I have heard from a number of my constituents that a proven way to address both our short term and long term energy costs is to renew the renewable energy tax credit and the production tax credit that are due to expire at the end of this year. We already know how effective these tax credits are. For example, wind energy is not only a significant component of the global warming solution, but also a powerful engine in our economy. Since January 2007, more than 40 wind industry manufacturing facilities have been announced, brought online, or expanded in the U.S., creating over 9,000 jobs and one billion in new manufacturing investment. When the production tax credit lapsed in 2000, 2002 and 2004, wind capacity installation dropped 93 percent, 73 percent and 77 percent, respectively, from the previous year. It is unwise to allow the wind production tax credit to expire and allow this bright spot in our economy to grind to a halt.

The solar energy production tax credit and the solar residential tax credit have been instrumental in helping my home state of New Jersey become a leader in the production of solar energy technology. New Jersey is also one of the nation's fastest growing solar energy markets. The extension of the solar energy tax credit will spur job growth in communities and would help New Jersey reach its goal of having 20 percent of its electricity derived from renewable sources by the year 2020. I have heard from companies in my district that if we don't extend the production tax credit they will have to shut down new solar projects or charge more for energy.

The tax credit for consumers has been equally effective in saving our constituents



thousands of dollars on their energy bills. For example, I was recently contacted by Phyllis who lives in Marlboro, New Jersey. By utilizing the residential energy investment tax credit, Phyllis was able to install 55 solar panels on the roof of her home. Phyllis also used the investment tax credit to purchase a high efficiency heating and cooling system. Together these investments have decreased her energy costs to one fourth the cost she was paying the year before. Phyllis is also selling the excess energy her solar panels gather back into the grid and has made over \$2,000 this summer. We need to encourage more Phyllises—that is how we will break our dependence on 19th century technology.

The renewal of these tax credits will also help to increase our economy by creating hundreds of thousands of jobs. According to a recent study, if the renewable energy tax breaks expire at the end of this year, over 116,000 jobs in wind and solar industries would be lost in one year. Today, when the predicted economic growth forecast is an anemic pace of 1.6 to 2 percent and unemployment is likely to continue to climb, we in Congress should do everything we can to ensure job growth and preserve jobs.

Renewable energy tax credits are instrumental to ensuring growth in the renewable energy sector, bolstering our national economy, providing us with home growth energy and have the potential to save our constituents thousands on their energy costs. It would be a disservice to our constituents if we do not act prior to Congress adjourning to extend and expand renewable energy tax incentives. Therefore, I have introduced legislation today that will extend the renewable energy tax credit, production tax credit, and the hybrid vehicle tax credit for ten years. This legislation would help to grow our economy and provide for a secure energy future.

Mr. BLUMENAUER. Mr. Speaker, I rise in support of the "Comprehensive American Energy Security and Consumer Protection Act." It looks like the Republican mantra of "drill, baby, drill!" and their threat to hold the entire operation of government hostage in order to eliminate the decades-old ban on drilling off our coasts may actually end up doing a favor to those of us who want a comprehensive and sustainable approach to energy policy.

Ironically, there is not much controversy about the impact of more drilling on gas prices. Even the Bush administration's own Department of Energy agrees that more drilling will make no difference for two up to decades, and even then any impact on the price at the pump would be insignificant.

When it comes to drilling, the real issue is about surrendering more of our energy future to a handful of large oil companies to develop when they want to, according to their terms, and whether or not we are going to get full value for the taxpayer dollar. The American citizens, after all, own our oil and the evidence is that other countries drive a stronger bargain for their oil than we do.

Indeed, the comic, yet tragic Inspector General's report about mismanagement, collusion, conflict of interest, partying, and even sexual liaisons between the Three Stooges operation that is the Minerals Management Service and the industry they are supposed to regulate, is an example of the failure of the Republican oil administration. It is also the fault of the Republicans, who ran Congress until recently,

and who are even less concerned about providing adult supervision.

I am proud that the Democrats have responded today with a wide-ranging proposal that offers opportunities for some responsible drilling for gas and oil, but goes far beyond just drilling. This bill ensures that taxpayers get fair value for the oil from public lands and waters and provides additional incentives for renewable energy and conservation. It presents another opportunity to extend the production tax credits so essential to the emerging new sustainable green energy sources like wind and solar which, despite having passed the House five times, is still resisted by Republicans in the Senate and the President.

I am also pleased that this bill recognizes that giving Americans transportation choices will help reduce the pain at the pump by expanding service and reducing transit fares for commuter rail and buses.

This legislation puts all the pieces together in a comprehensive, thoughtful way that answers the legitimate concerns of the American public with more than a bumper sticker solution. As is always the case in the legislative process in a democracy, this bill is not everything that anyone person would want. For example, I would prefer to extend the moratorium on drilling off our shores for more than just 50 miles.

However, compared to the Republicans' one-dimensional, disingenuous approach to energy policy, in which they seek to obscure their 7½ years of mismanagement and misdirection, this bill is certainly light-years ahead. It will also provide a framework to look at the big picture between now and November and an important point of departure for a new administration and Congress to follow through.

We are not going to reverse years of myopia and mismanagement overnight; certainly not in one bill in the few remaining weeks of this Congress. Today, we do have an opportunity to tie the pieces together in a way that will move us further along to solving the problem rather than dueling sound bites.

Mr. LEVIN. Mr. Speaker, I rise in strong support of the energy legislation before the House.

We need a comprehensive approach that includes responsible development of additional energy resources, greater energy efficiency, tax incentives to spur alternative energy, investment in new technologies, and relief to American consumers. The bill before the House does that.

It is clear that a more-of-the-same approach to energy will not work. If we've learned nothing else from the last eight years, we've learned that we cannot drill our way to energy security. Neither will conservation alone do the job.

The legislation before us provides long-term incentives for renewable energy that will give the solar, wind, and biomass industries the stability they need to make investments in additional production capacity. There are also significant incentives for making our nation and economy more energy efficient.

The offshore drilling provisions of this legislation open up as much as 400 million acres of land off the Atlantic and Pacific coasts that are currently off limits to drilling. Through this compromise, we will expand oil production offshore, while setting a reasonable buffer zone.

The legislation requires electric utilities to produce more of their electricity from renew-

able energy sources. This is smart energy policy that will create new industries and new American jobs.

The legislation increases the tax credit for alternative refueling property, such as E85 pumps, and extends the credit through 2010. Biofuels are an important component of our nation's energy strategy, and U.S. automakers have made significant investments to bring flex-fuel vehicles to market. To maximize the impact of this progress we need to speed the deployment of E85 pumps.

This legislation also provides incentives for manufacturers to produce washing machines, refrigerators and dishwashers that push the boundaries of energy and water efficiency, and to build them in the United States. Reducing the energy and water usage of a washing machine over time and across millions of households will produce remarkable reductions in energy and water usage, saving consumers billions on their utility bills.

In a word, the approach taken by this bill is comprehensive. It addresses both the supply and demand sides of our nation's energy policy. It is a balanced, responsible and long-term approach to addressing the challenges of energy security. I urge all of my colleagues to support this comprehensive package.

Mr. HOLT. Mr. Speaker, I rise today in opposition to H.R. 6899, The Comprehensive American Energy Security and Consumer Protection Act.

Today's energy crisis is based on a generation of failed policies which have made us excessively dependent on foreign fuels. We must learn from the mistakes of the past and find a new direction that will decrease our reliance on gas and oil and move our energy policy forward. Today my constituents in New Jersey are paying more than \$3.50 at the pump. The steep increase in gas prices is stretching family budgets to the breaking point, and I am deeply concerned about the impact that prices are having on American consumers. Congress needs to pass comprehensive legislation that will help families struggling with rising gas and fuel oil prices in the short-term, while developing a long-term strategy that decreases our dependence on foreign oil and reduces our greenhouse gas emissions.

The legislation that we are considering today, the Comprehensive American Energy Security and Consumer Protection Act, has some good provisions, provisions that could help to move our country's energy policy in the right direction. I consistently have supported many of these provisions in the past. I have voted in favor of renewing the renewable energy tax credits three times this Congress. I have voted to repeal the billions of dollars in tax breaks that have been given to oil companies at the expense of the American taxpayer and to invest this money in clean, renewable energy. I have voted to provide relief to our public transit agencies which are struggling to meet the skyrocketing demand for public transportation. Twice I have voted to encourage oil companies to drill on the 68 million acres of the lands open for drilling both onshore and offshore that currently are leased by oil companies for production, yet remain unused. I have supported legislation which would help to increase supply for oil and decrease demand for oil including releasing oil from the Strategic Petroleum Reserve, instituting a national Renewable Portfolio Standard, and increasing the efficiency of buildings

and appliances. I have consistently supported comprehensive reform of our nation's energy policy. Last year I supported H.R. 6, the Energy Independence and Security Act, a law that will make a real difference in moving our energy policy forward by raising the Corporate Average Fuel Economy Standard. However, unlike H.R. 6, the legislation before us today is not the comprehensive policy that we need to move our country forward and I cannot support it.

I believe that drilling in environmentally sensitive areas, such as our coastline, is unwise. Some in America claim that drilling—here, now, and everywhere—will bring instantaneous relief to families paying painful gas prices. The facts do not support this claim. "Drill baby drill" is not an energy policy, it is a slogan to hide behind to avoid coming up with a real policy which will help America move towards sustainable, affordable energy. There is no easy solution to this crisis, and the evidence shows that drilling in OCS would save pennies per gallon years from now. We can begin now, not years from now, to move to sustainable, affordable energy. Fortunately, the environmental and financial requirements for an oil or gas company to drill are strong enough that few if any wells will be drilled under this legislation, and I expect smarter, more comprehensive legislation will follow next year.

We will never be able to drill our way to energy independence. The United States consumes 25 percent of the world's oil but only possesses 3 percent of the world's oil reserves. Even if we drilled on every single square inch of land where oil is assumed to exist we will never be able to meet our national demand. Moreover, drilling 50 or 100 miles off our shores, as H.R. 6899 proposes, could be detrimental to the preservation of our environment for future generations. In New Jersey, tourism along our shore brings \$35 billion to the state's economy. A possible oil spill from drilling of the coast of New Jersey, Virginia, or Delaware would be devastating to my state's 120 miles of shoreline. I am unwilling to sacrifice our nation's environment for drilling which will do nothing to decrease prices at the pump.

Since I was elected 10 years ago I have consistently opposed drilling in environmentally sensitive areas including the Outer Continental Shelf. I have a strong record for voting in favor of preserving our environment and developing new energy sources that are clean, safe, and sustainable. This is really the only way that we can lower our gas prices in the long term. I will not support legislation which will continue the failed policies of reliance on fossil fuels, and I oppose H.R. 6899.

I will continue to push for real reform of our nation's energy policy. Therefore I will be introducing legislation today which extend for 10 years the tax credits for hybrid cars, energy efficient housing, and renewable energy sources including solar, wind, geothermal, biomass, and hydro power. Extending these tax credits will help our country stay on the right path towards a cleaner energy future.

Mrs. CAPPS. Mr. Speaker, I rise in reluctant opposition to this bill.

I do so because I simply cannot support the myth that a lack of offshore drilling is at the root of our energy problems, and the supposed solutions to that myth are contained in this bill.

I fully support the provisions in the bill that will help America reach the goal of a clean energy future. For example, the bill extends federal tax incentives for energy efficiency and renewable energy that will expire by the end of 2008. It's critical that these tax incentives be extended to avoid causing significant harm to our country's developing clean energy industries. It would also provide new incentives for purchasing energy efficient products and plug-in hybrid vehicles.

I also support the Renewable Electricity Standard included in the bill, which requires at least 15 percent of our national energy production to come from renewable sources by 2020. More than half of the states already have a standard like this in place, including California and Texas.

I believe these provisions are clear steps in the right direction and, in fact, would argue we should be doing more of them.

But President Bush was right when he said our country is addicted to oil. The U.S. is like the alcoholic who says he needs just one more drink to get him through the day and then tomorrow he will stop. And this recent nonstop effort to open up the entire U.S. coast to more drilling looks to me a lot like a problem drinker in denial.

The driving force behind this legislation is the relentless, disingenuous and, in the end, futile attempt to drill our way to energy security. It is doomed to failure because we simply don't have the resources. We consume 25 percent of the world's oil and yet we have only 3 percent of the world's oil supply. Do the math.

Or better yet, just look at recent history. Seven and a half years ago, President Bush took office promising to implement a national energy policy that would make America energy independent. The former oilman entrusted his Vice President, himself the former head of the largest oil servicing company in the world, with leading the effort. Since then, the President's energy policy has mostly been about enabling our addiction to fossil fuels by focusing only on increasing domestic oil and gas supplies.

For example, between 2001 and 2007, the Bush Administration offered 343 million acres of leases for offshore drilling, selling over 33 million acres to oil and gas companies. And in the last five years, the Republican-controlled Congress gave the President approval for new leasing in Bristol Bay, Alaska, and the eastern Gulf of Mexico. In fact, the U.S. has more oil and gas rigs operating today than the entire rest of the world.

Meanwhile, the Bush Administration energy policy paid lip service to conservation, neatly summed up by Vice President CHENEY's dismissive and uninformed remark that "conservation may be a sign of personal virtue but it is not a sufficient basis for a sound, comprehensive energy policy."

And the Administration's lack of interest in developing alternative energy was succinctly illustrated when Congressional Republicans, needing to reduce the overall cost of their "landmark" 2005 energy bill, slashed support for alternative fuels while leaving intact tens of billions of dollars in taxpayer subsidies for already rich oil companies.

The results of these choices aren't pretty: in 2000, the U.S. imported 53 percent its oil; today, that figure is 59 percent. And while consumers pay record high prices at the pump, oil

companies are racking up record high oil profits. Exxon-Mobil's last quarterly profits were \$11 billion, the largest in human history. The other oil and gas behemoths pulled in similarly spectacular profits.

But the failure of President Bush's strategy was both predictable and predicted. Democrats in Congress pointed out that the vast majority of offshore oil and gas reserves were already available for exploitation. Even if they hadn't been and we made them all available to drilling, there is still that troubling U.S. demand versus U.S. supply contradiction.

For years, Democrats tried to convince the Republicans then in charge of Congress that real energy security would be found by making our cars, buildings and appliances more efficient; by dramatically speeding up the development of renewable and alternative energy sources; and by beginning the long, hard transition away from fossil fuels that imperil our economy, damage our planet and come mostly from unstable countries all too often wishing us harm. Those arguments were all rejected by the President and his supporters in Congress, leaving us where we are today.

To be clear, I don't want to see more oil rigs off my congressional district. My constituents rightfully fear the economic and environmental effects of new drilling. Many of us witnessed firsthand the devastation of the blowout on Platform A off the coast of Santa Barbara in 1969. We saw the dead birds and seals, the beaches covered with oil, the land that we love so much nearly destroyed.

In the years since, despite the great advances touted by the industry, oil accidents and drilling-based pollution in my district have been plentiful, offshore and onshore. For example, Exxon-Mobil recently agreed to pay almost \$3 million for releasing dangerous PCB's into the Santa Barbara Channel from Platform Hondo.

Another fine example is that of Greka Oil, a company that has been polluting our local creeks with toxic runoff and countless oil spills seemingly without a care. It looks like Greka based its environmental policies on the cutting edge technology found in the movie "There Will Be Blood." I could also site the infamous Torch Operating Company pipeline explosion in 1997, the destruction and rebuilding of Avila Beach brought on by Unocal's decades-long pollution in that coastal town, or the impacts to our local air and water quality that we deal with every day. That is the history—and daily reality—of oil drilling in my congressional district.

So, yes, Californians don't want more of that.

But my opposition to this bill is mostly because it is simply not in the best interests of this country. The longer we try to fool ourselves into believing that this time new drilling will bring us lower prices and that we still have plenty of time to get ourselves off this oil addiction, the tougher the day of reckoning will be. Our economy will continue to be at the whim of crazy dictators around the world, globing warming will continue unabated and the decisions to send our troops in harm's way will too often be tainted by the stench of oil politics.

And just so we are clear, this "American" oil we want to drill for is more likely to end up in gas tanks in Beijing or Calcutta than in Washington or Wasilla because oil markets are global. The multinational oil companies that

will sink their rigs off California or Virginia will be selling "American" oil to the highest bidder. That is one reason why none other than the Bush Administration's own Energy Information Administration concluded that even opening the entire U.S. coastline to more drilling would have virtually no impact on oil prices.

We need to end our addiction to fossil fuels and we need to start now. Expanded drilling off our coasts will not bring us closer to that goal.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1433, the bill is considered read and the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 2115

#### MOTION TO RECOMMIT

Mr. PETERSON of Pennsylvania. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. PETERSON of Pennsylvania. Yes, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Peterson of Pennsylvania moves to recommit the bill H.R. 6899 to the Committee on Natural Resources with instructions to report the same back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "National Conservation, Environment, and Energy Independence Act".

#### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—OFFSHORE AND ONSHORE LEASING AND OTHER ENERGY PRODUCTION

Sec. 101. Termination of prohibitions on expenditures for, and withdrawals from, offshore and onshore leasing and other limitations on energy production.

Sec. 102. Outer continental shelf leasing program.

Sec. 103. Sharing of revenues.

Sec. 104. Policies regarding buying and building American.

Sec. 105. Elimination of other restrictions on use of energy alternatives.

#### TITLE II—CLEANER ENERGY PRODUCTION AND ENERGY CONSERVATION INCENTIVES

Sec. 201. Extension of renewable energy credit.

Sec. 202. Extension of credit for alternative fuel vehicles.

Sec. 203. Extension of alternative fuel vehicle refueling property credit.

Sec. 204. Extension of credit for energy efficient appliances.

Sec. 205. Extension of credit for nonbusiness energy property.

Sec. 206. Extension of credit for residential energy efficient property.

Sec. 207. Extension of new energy efficient home credit.

Sec. 208. Extension of energy efficient commercial buildings deduction.

Sec. 209. Extension of energy credit.

Sec. 210. Extension of credit for clean renewable energy bonds.

Sec. 211. Extension of credits for biodiesel and renewable diesel.

Sec. 212. Credit for plug-in hybrid vehicles.

Sec. 213. Time for payment of corporate estimated taxes.

#### TITLE III—MODIFYING THE STRATEGIC PETROLEUM RESERVE AND FUNDING CONSERVATION AND ENERGY RESEARCH AND DEVELOPMENT

Sec. 301. Findings.

Sec. 302. Definitions.

Sec. 303. Objectives.

Sec. 304. Modification of the Strategic Petroleum Reserve.

Sec. 305. Energy Independence and Security Fund.

#### TITLE I—OFFSHORE AND ONSHORE LEASING AND OTHER ENERGY PRODUCTION

##### SEC. 101. TERMINATION OF PROHIBITIONS ON EXPENDITURES FOR, AND WITHDRAWALS FROM, OFFSHORE AND ONSHORE LEASING AND OTHER LIMITATIONS ON ENERGY PRODUCTION.

(a) PROHIBITIONS ON EXPENDITURES.—All provisions of Federal law that prohibit the expenditure of appropriated funds to conduct natural gas, oil, oil shale, and other energy production leasing and preleasing activities for Federal lands shall have no force or effect with respect to such activities.

(b) REVOCATION WITHDRAWALS.—All withdrawals of Federal submerged lands of the Outer Continental Shelf from leasing, including withdrawals by the President under the authority of section 12(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(a)), are hereby revoked and are no longer in effect with respect to the leasing of areas for exploration for, and development and production of natural gas and oil.

(c) GULF OF MEXICO OIL AND GAS.—Section 104 of division C of the Tax Relief and Health Care Act of 2006 (Public Law 109-432; 120 Stat. 3003) is repealed.

(d) OIL SHALE.—Section 433 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (division F of Public Law 110-161; 121 Stat. 2152) is repealed.

##### SEC. 102. OUTER CONTINENTAL SHELF LEASING PROGRAM.

The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by inserting after section 9 the following:

##### "SEC. 10. MORATORIA AREA AND STATE DISAPPROVAL REQUIREMENT WITH RESPECT TO LEASING.

"(a) PROHIBITION ON LEASING.—The Secretary may not issue any lease authorizing exploration for, or development of, natural gas or oil in any area of the outer Continental Shelf that is located within 25 miles of the coastline of a State.

"(b) STATE DISAPPROVAL AUTHORITY.—The Secretary may not issue any lease authorizing exploration for, or development of, natural gas or oil in any area of the outer Continental Shelf that is located more than 25 miles and less than 50 miles from the coastline of a State if the State has enacted, within the 1-year period beginning on the date of the enactment of the National Conservation, Environment, and Energy Independence Act, a law disapproving of the issuance of such leases by the Secretary.

"(c) MILITARY OPERATIONS.—The Secretary shall consult with the Secretary of Defense regarding military operations needs in the Outer Continental Shelf. The Secretary shall work with the Secretary of Defense to resolve any conflicts that might arise between such operations and leasing under this sec-

tion. If the Secretaries are unable to resolve all such conflicts, any unresolved issues shall be referred by the Secretaries to the President in a timely fashion for immediate resolution."

##### SEC. 103. SHARING OF REVENUES.

(a) IN GENERAL.—Section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)) is amended—

(1) in paragraph (2) by striking "Notwithstanding" and inserting "Except as provided in paragraph (6), and notwithstanding";

(2) by redesignating paragraphs (6) and (7) as paragraphs (8) and (9); and

(3) by inserting after paragraph (5) the following:

"(6) BONUS BIDS AND ROYALTIES UNDER QUALIFIED LEASES.—

"(A) NEW LEASES.—Of amounts received by the United States as bonus bids, royalties, rentals, and other sums collected under any qualified lease on submerged lands made available for leasing under this Act by the enactment of the National Conservation, Environment, and Energy Independence Act that are located within the seaward boundaries of a State established under section 4(a)(2)(A)—

"(i) 30 percent shall be deposited in the general fund of the Treasury;

"(ii) 30 percent shall be paid to the States that are producing States with respect to those submerged lands;

"(iii) 8 percent shall be deposited in the Conservation Reserve established by paragraph (7);

"(iv) 10 percent shall be deposited in the Environment Restoration Reserve established by paragraph (7);

"(v) 15 percent shall be deposited in the Renewable Energy Reserve established by paragraph (7);

"(vi) 5 percent shall be deposited in the Carbon Capture/Sequestration and Nuclear Waste Reserve Established by paragraph (7); and

"(vii) 2 percent shall be available to the Secretary of Health and Human Services for carrying out the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621, et seq.).

"(B) LEASED TRACT THAT LIES PARTIALLY WITHIN THE SEAWARD BOUNDARIES OF A STATE.—In the case of a leased tract that lies partially within the seaward boundaries of a State, the amounts of bonus bids and royalties from such tract that are subject to subparagraph (A)(ii) with respect to such State shall be a percentage of the total amounts of bonus bids and royalties from such tract that is equivalent to the total percentage of surface acreage of the tract that lies within such seaward boundaries.

"(C) USE OF PAYMENTS TO STATES.—Amounts paid to a State under subparagraph (A)(ii) shall be used by the State for one or more of the following:

"(i) Education.

"(ii) Transportation.

"(iii) Coastal restoration, environmental restoration, and beach replenishment.

"(iv) Energy infrastructure.

"(v) Renewable energy development.

"(vi) Energy efficiency and conservation.

"(vii) Any other purpose determined by State law.

"(D) DEFINITIONS.—In this paragraph:

"(i) ADJACENT STATE.—The term 'Adjacent State' means, with respect to any program, plan, lease sale, leased tract or other activity, proposed, conducted, or approved pursuant to the provisions of this Act, any State the laws of which are declared, pursuant to section 4(a)(2), to be the law of the United States for the portion of the outer Continental Shelf on which such program, plan, lease sale, leased tract, or activity appertains or is, or is proposed to be, conducted.

“(ii) ADJACENT ZONE.—The term ‘adjacent zone’ means, with respect to any program, plan, lease sale, leased tract, or other activity, proposed, conducted, or approved pursuant to the provisions of this Act, the portion of the outer Continental Shelf for which the laws of a particular adjacent State are declared, pursuant to section 4(a)(2), to be the law of the United States.

“(iii) PRODUCING STATE.—The term ‘producing State’ means an Adjacent State having an adjacent zone containing leased tracts from which are derived bonus bids and royalties under a lease under this Act.

“(iv) STATE.—The term ‘State’ includes Puerto Rico and the other territories of the United States.

“(v) QUALIFIED LEASE.—The term ‘qualified lease’ means a natural gas or oil lease made available under this Act granted after the date of the enactment of the National Conservation, Environment, and Energy Independence Act, for an area that is available for leasing as a result of enactment of section 101 of that Act.

“(E) APPLICATION.—This paragraph shall apply to bonus bids and royalties received by the United States under qualified leases after September 30, 2008.

“(7) ESTABLISHMENT OF RESERVE ACCOUNTS.—

“(A) IN GENERAL.—For budgetary purposes, there is established as a separate account to receive deposits under paragraph (6)(A)—

“(i) the Conservation Reserve, to offset the cost of legislation enacted after the date of the enactment of the National Conservation, Environment, and Energy Independence Act for conservation programs, such as weatherization, and conservation tax credits and deductions for energy efficiency in the residential, commercial, industrial and public sectors, including Conservation Districts;

“(ii) the Environment Restoration Reserve, to offset the cost of legislation enacted after the date of the enactment of the National Conservation, Environment, and Energy Independence Act to conduct restoration activities to improve the overall health of the ecosystems primarily or entirely within wildlife refuges, national parks, lakes, bays, rivers, and streams, including the Great Lakes, the Chesapeake and Delaware Bays, the San Francisco Bay/Sacramento San Joaquin Bay Delta, the Florida Everglades, New York Harbor, the Colorado River Basin, and Intracoastal Waterways and inlets that serve them;

“(iii) the Renewable Energy Reserve, to offset the cost of legislation enacted after the date of the enactment of the National Conservation, Environment, and Energy Independence Act to accelerate the use of cleaner domestic energy resources and alternative fuels; to promote the utilization of energy-efficient products and practices; and to increase research, development, and deployment of clean renewable energy and efficiency technologies and job training programs for those purposes; and

“(iv) the Carbon Capture and Sequestration Reserve, to offset the cost of legislation enacted after the date of the enactment of the National Conservation, Environment, and Energy Independence Act to promote research and development projects associated with carbon capture and storage in the production of liquid transportation fuels, synthetic natural gas, chemical feedstocks, and electricity, and for the disposition and recycling/reprocessing of nuclear waste from nuclear power plants.

“(B) PROCEDURE FOR ADJUSTMENTS.—

“(i) BUDGET COMMITTEE CHAIRMAN.—After the reporting of a bill or joint resolution, or the offering of an amendment thereto or the submission of a conference report thereon, providing funding for the purposes set forth

in clause (i), (ii), (iii), or (iv) of subparagraph (A) in excess of the amount of the deposits under paragraph (6)(A) for those purposes for fiscal year 2009, the chairman of the Committee on the Budget of the applicable House of Congress shall make the adjustments set forth in clause (ii) for the amount of new budget authority and outlays in that measure and the outlays flowing from that budget authority.

“(ii) MATTERS TO BE ADJUSTED.—The adjustments referred to in clause (i) are to be made to—

“(I) the discretionary spending limits, if any, set forth in the appropriate concurrent resolution on the budget;

“(II) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) of the Congressional Budget Act of 1974; and

“(III) the budget aggregates contained in the appropriate concurrent resolution on the budget as required by section 301(a) of the Congressional Budget Act of 1974.

“(iii) AMOUNTS OF ADJUSTMENTS.—The adjustments referred to in clauses (i) and (ii) shall not exceed the receipts estimated by the Congressional Budget Office that are attributable to this Act for the fiscal year in which the adjustments are made.

“(C) EXPENDITURES ONLY BY SECRETARY OF THE INTERIOR IN CONSULTATION.—Legislation shall not be treated as legislation referred to in subparagraph (A) unless any expenditure under such legislation for a purpose referred to in that subparagraph may be made only after consultation with the Administrator of the Environmental Protection Agency, the Administrator of the National Oceanic and Atmospheric Administration, the Secretary of the Army acting through the Corps of Engineers, and, as appropriate, the Secretary of State.

“(8) MAINTENANCE OF EFFORT BY STATES.—The Secretary of the Interior, the Secretary of Health and Human Services, the Secretary of Energy, and any other Federal official with authority to implement legislation referred to in paragraph (6)(A) shall ensure that financial assistance provided to a State under that legislation for any purpose with amounts made available under this subsection or in any legislation with respect to which paragraph (7) applies supplement, and do not replace, the amounts expended by the State for that purpose before the date of the enactment of the National Conservation, Environment, and Energy Independence Act”.

“(b) ESTABLISHMENT OF STATE SEAWARD BOUNDARIES.—Section 4(a)(2)(A) of the Outer Continental Shelf Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the first sentence by striking “, and the President” and all that follows through the end of the sentence and inserting the following: “. Such extended lines are deemed to be as indicated on the maps for each Outer Continental Shelf region entitled ‘Alaska OCS Region State Adjacent Zone and OCS Planning Areas’, ‘Pacific OCS Region State Adjacent Zones and OCS Planning Areas’, ‘Gulf of Mexico OCS Region State Adjacent Zones and OCS Planning Areas’, and ‘Atlantic OCS Region State Adjacent Zones and OCS Planning Areas’, all of which are dated September 2005 and on file in the Office of the Director, Minerals Management Service. The preceding sentence shall not apply with respect to the treatment under section 105 of the Gulf of Mexico Energy Security Act of 2006 (title I of division C of Public Law 109-432) of qualified outer Continental Shelf revenues deposited and disbursed under subsection (a)(2) of that section.”.

**SEC. 104. POLICIES REGARDING BUYING AND BUILDING AMERICAN.**

(a) INTENT OF CONGRESS.—It is the intent of the Congress that this Act, among other

things, result in a healthy and growing American industrial, manufacturing, transportation, and service sector employing the vast talents of America’s workforce to assist in the development of energy from domestic sources. Moreover, the Congress intends to monitor the deployment of personnel and material onshore and offshore to encourage the development of American technology and manufacturing to enable United States workers to benefit from this Act by good jobs and careers, as well as the establishment of important industrial facilities to support expanded access to American resources.

(b) SAFEGUARD FOR EXTRAORDINARY ABILITY.—Section 30(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356(a)) is amended in the matter preceding paragraph (1) by striking “regulations which” and inserting “regulations that shall be supplemental and complimentary with and under no circumstances a substitution for the provisions of the Constitution and laws of the United States extended to the subsoil and seabed of the outer Continental Shelf pursuant to section 4 of this Act, except insofar as such laws would otherwise apply to individuals who have extraordinary ability in the sciences, arts, education, or business, which has been demonstrated by sustained national or international acclaim, and that”.

**SEC. 105. ELIMINATION OF OTHER RESTRICTIONS ON USE OF ENERGY ALTERNATIVES.**

(a) RENEWABLE BIOMASS.—Section 211(o)(1)(I) of the Clean Air Act (42 U.S.C. 7545(o)(1)(I)) is amended effective January 1, 2009—

(1) in clause (ii), by striking “on non-federal land”; and

(2) in clause (iv), by striking “that are from non-federal forestlands, including forestlands” and inserting “from forestlands, including those on public lands and those”.

(b) ALTERNATIVE FUELS.—Section 526 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17142) is repealed.

(c) LIMITATION ON NUMBER OF NEW QUALIFIED HYBRID ADVANCED LEAN-BURN TECHNOLOGY VEHICLES.—Section 30B of the Internal Revenue Code of 1986 is amended by striking subsection (f).

**TITLE II—CLEANER ENERGY PRODUCTION AND ENERGY CONSERVATION INCENTIVES**

**SEC. 201. EXTENSION OF RENEWABLE ENERGY CREDIT.**

Each of the following provisions of section 45(d) of the Internal Revenue Code of 1986 (relating to qualified facilities) is amended by striking “January 1, 2009” and inserting “January 1, 2013”:

(1) Paragraph (1) (relating to wind facility).

(2) Clauses (i) and (ii) of paragraph (2)(A) (relating to closed-loop biomass facility).

(3) Clauses (i)(I) and (ii) of paragraph (3)(A) (relating to open-loop biomass facility).

(4) Paragraph (4) (relating to geothermal energy facility).

(5) Paragraph (5) (relating to small irrigation power facility).

(6) Paragraph (6) (relating to landfill gas facilities).

(7) Paragraph (7) (relating to trash combustion facilities).

(8) Paragraph (8) (relating to refined coal production facility).

(9) Subparagraphs (A) and (B) of paragraph (9) (relating to qualified hydropower facility).

**SEC. 202. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL VEHICLES.**

Paragraphs (2), (3), and (4) of section 30B(j) of the Internal Revenue Code of 1986 are each amended by striking the date therein and inserting “December 31, 2014”.

**SEC. 203. EXTENSION OF ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.**

(a) IN GENERAL.—Paragraph (2) of section 30C(g) of such Code (relating to termination) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) ALTERNATIVE FUELS.—Paragraph (1) of section 30C(g) of the Internal Revenue Code of 1986 is amended by striking “hydrogen,” inserting “hydrogen or alternative fuels (as defined in section 30B(e)(4)(B)).”.

**SEC. 204. EXTENSION OF CREDIT FOR ENERGY EFFICIENT APPLIANCES.**

(a) IN GENERAL.—Subsection (b) of section 45M of the Internal Revenue Code of 1986 (relating to applicable amount) is amended by striking “calendar year 2006 or 2007” each place it appears in paragraphs (1)(A)(i), 1(1)(B)(i), 1(C)(ii)(I), and 1(C)(iii)(I), and inserting “calendar year 2006, 2007, 2008, 2009, 2010, 2011, 2012, or 2013”.

(b) RESTART OF CREDIT LIMITATION.—Paragraph (1) of section 45M(e) of such Code (relating to aggregate credit amount allowed) is amended by inserting “beginning after December 31, 2007” after “for all prior taxable years”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2007.

**SEC. 205. EXTENSION OF CREDIT FOR NONBUSINESS ENERGY PROPERTY.**

(a) IN GENERAL.—Section 25C(g) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2013”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

**SEC. 206. EXTENSION OF CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.**

Section 25D(g) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2014”.

**SEC. 207. EXTENSION OF NEW ENERGY EFFICIENT HOME CREDIT.**

Subsection (g) of section 45L of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2013”.

**SEC. 208. EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.**

Section 179D(h) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2013”.

**SEC. 209. EXTENSION OF ENERGY CREDIT.**

(a) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) of the Internal Revenue Code of 1986 (relating to energy credit) are each amended by striking “January 1, 2009” and inserting “January 1, 2017”.

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

(c) MICROTURBINE PROPERTY.—Subparagraph (E) of section 48(c)(2) of such Code (relating to qualified microturbine property) is amended by striking “December 31, 2008” and inserting “December 31, 2013”.

**SEC. 210. EXTENSION OF CREDIT FOR CLEAN RENEWABLE ENERGY BONDS.**

(a) EXTENSION.—Section 54(m) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2013”.

**SEC. 211. EXTENSION OF CREDITS FOR BIO-DIESEL AND RENEWABLE DIESEL.**

(a) IN GENERAL.—Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) of the Internal Revenue Code of 1986 are each amended by striking

“December 31, 2008” and inserting “December 31, 2013”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2008.

**SEC. 212. CREDIT FOR PLUG-IN HYBRID VEHICLES.**

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to other credits) is amended by adding at the end the following new section:

**“SEC. 30D. PLUG-IN HYBRID VEHICLES.**

“(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credit amounts determined under subsection (b) with respect to each qualified plug-in hybrid vehicle placed in service by the taxpayer during the taxable year.

“(b) PER VEHICLE DOLLAR LIMITATION.—

“(1) IN GENERAL.—The amount determined under this subsection with respect to any qualified plug-in hybrid vehicle is the sum of the amounts determined under paragraphs (2) and (3) with respect to such vehicle.

“(2) BASE AMOUNT.—The amount determined under this paragraph is \$4,000.

“(3) BATTERY CAPACITY.—In the case of vehicle which draws propulsion energy from a battery with not less than 5 kilowatt hours of capacity, the amount determined under this paragraph is \$200, plus \$200 for each kilowatt hour of capacity in excess of 5 kilowatt hours. The amount determined under this paragraph shall not exceed \$2,000.

“(c) APPLICATION WITH OTHER CREDITS.—

“(1) BUSINESS CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—So much of the credit which would be allowed under subsection (a) for any taxable year (determined without regard to this subsection) that is attributable to property of a character subject to an allowance for depreciation shall be treated as a credit listed in section 38(b) for such taxable year (and not allowed under subsection (a)).

“(2) PERSONAL CREDIT.—

“(A) IN GENERAL.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.

“(B) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall not exceed the excess of—

“(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(ii) the sum of the credits allowable under subpart A (other than this section and sections 23 and 25D) and section 27 for the taxable year.

“(d) QUALIFIED PLUG-IN HYBRID VEHICLE.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified plug-in hybrid vehicle’ means a motor vehicle (as defined in section 30(c)(2))—

“(A) the original use of which commences with the taxpayer,

“(B) which is acquired for use or lease by the taxpayer and not for resale,

“(C) which is made by a manufacturer,

“(D) which has a gross vehicle weight rating of less than 14,000 pounds,

“(E) which has received a certificate of conformity under the Clean Air Act and meets or exceeds the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section

202(i) of the Clean Air Act for that make and model year vehicle,

“(F) which is propelled to a significant extent by an electric motor which draws electricity from a battery which—

“(i) has a capacity of not less than 4 kilowatt hours, and

“(ii) is capable of being recharged from an external source of electricity, and

“(G) which either—

“(i) is also propelled to a significant extent by other than an electric motor, or

“(ii) has a significant onboard source of electricity which also recharges the battery referred to in subparagraph (F).

“(2) EXCEPTION.—The term ‘qualified plug-in hybrid vehicle’ shall not include any vehicle which is not a passenger automobile or light truck if such vehicle has a gross vehicle weight rating of less than 8,500 pounds.

“(3) OTHER TERMS.—The terms ‘passenger automobile’, ‘light truck’, and ‘manufacturer’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

“(4) BATTERY CAPACITY.—The term ‘capacity’ means, with respect to any battery, the quantity of electricity which the battery is capable of storing, expressed in kilowatt hours, as measured from a 100 percent state of charge to a 0 percent state of charge.

“(e) SPECIAL RULES.—

“(1) BASIS REDUCTION.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (c)).

“(2) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

“(3) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

“(4) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

“(5) PROPERTY USED BY TAX-EXEMPT ENTITY; INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Rules similar to the rules of paragraphs (6) and (10) of section 30B(h) shall apply for purposes of this section.”.

(b) PLUG-IN VEHICLES NOT TREATED AS NEW QUALIFIED HYBRID VEHICLES.—Section 30B(d)(3) is amended by adding at the end the following new subparagraph:

“(D) EXCLUSION OF PLUG-IN VEHICLES.—

Any vehicle with respect to which a credit is allowable under section 30D (determined without regard to subsection (c) thereof) shall not be taken into account under this section.”.

(c) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking “plus” at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting “, plus”, and by adding at the end the following new paragraph:

“(34) the portion of the plug-in hybrid vehicle credit to which section 30D(c)(1) applies.”.

(d) CONFORMING AMENDMENTS.—

(1)(A) Section 24(b)(3)(B), as amended by this Act, is amended by striking “and 25D” and inserting “25D, and 30D”.

(B) Section 25(e)(1)(C)(ii) is amended by inserting “30D,” after “25D.”.

(C) Section 25B(g)(2), as amended by this Act, is amended by striking “and 25D” and inserting “, 25D, and 30D”.

(D) Section 26(a)(1), as amended by this Act, is amended by striking “and 25D” and inserting “25D, and 30D”.

(E) Section 1400C(d)(2) is amended by striking “and 25D” and inserting “25D, and 30D”.

(2) Section 1016(a) is amended by striking “and” at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting “, and”, and by adding at the end the following new paragraph:

“(37) to the extent provided in section 30D(e)(1).”.

(3) Section 6501(m) is amended by inserting “30D(e)(4),” after “30C(e)(5).”.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 30D). Plug-in hybrid vehicles.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

**SEC. 213. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

Notwithstanding section 6655 of the Internal Revenue Code of 1986, in the case of a corporation with assets of not less than \$1,000,000,000 (determined as of the end of the preceding taxable year—

(1) the percentage under section 401(1) (C) of the Tax Increase Prevention and Reconciliation Act of 2005 (as in effect on the date of the enactment of this Act) is increased by 51 percentage points, and

(2) the amount of any required installment of corporate estimated tax which is otherwise due in July, August, or September of 2018 shall be 200 percent of such amount.

The amount of the next required installment after an installment to which paragraph (2) applies shall be appropriately reduced to reflect the amount of the increase by reason of such paragraph.

**TITLE III—MODIFYING THE STRATEGIC PETROLEUM RESERVE AND FUNDING CONSERVATION AND ENERGY RESEARCH AND DEVELOPMENT**

**SEC. 301. FINDINGS.**

Congress finds the following:

(1) The Strategic Petroleum Reserve (SPR) was created by Congress in 1975, to protect the Nation from any future oil supply disruptions. When the program was established, United States refiners were capable of handling light and medium crude and the make up of the SPR matched this capacity. This is not the case today.

(2) A GAO analysis found that nearly half of the refineries considered vulnerable to supply disruptions are not compatible with the types of oil currently stored in the SPR and would be unable to maintain normal refining capacity if forced to rely on SPR oil as currently constituted, thereby reducing the effectiveness of the SPR in the event of a supply disruption. GAO concluded that the SPR should be comprised of at least 10 percent heavy crude.

(3) This Act implements the GAO recommendation and dedicates funds received from the transactions to existing energy conservation, research, and assistance programs.

**SEC. 302. DEFINITIONS.**

In this title—

(1) the term “light grade petroleum” means crude oil with an API gravity of 35 degrees or higher;

(2) the term “heavy grade petroleum” means crude oil with an API gravity of 26 degrees or lower; and

(3) the term “Secretary” means the Secretary of Energy.

**SEC. 303. OBJECTIVES.**

The objectives of this title are as follows:

(1) To modernize the composition of the Strategic Petroleum Reserve to reflect the

current processing capabilities of refineries in the United States.

(2) To provide increased funding to accelerate conservation, energy research and development, and assistance through existing programs.

**SEC. 304. MODIFICATION OF THE STRATEGIC PETROLEUM RESERVE.**

Notwithstanding section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241), the Secretary shall publish a plan not later than 30 days after the date of enactment of this Act to—

(1) exchange as soon as possible light grade petroleum from the Strategic Petroleum Reserve, in an amount equal to 10 percent of the total number of barrels of crude oil in the Reserve as of the date of enactment of this Act, for an equivalent volume of heavy grade petroleum plus any additional cash bonus bids received that reflect the difference in the market value between light grade petroleum and heavy grade petroleum and the timing of deliveries of the heavy grade petroleum;

(2) from the gross proceeds of the cash bonus bids, deposit the amount necessary to pay for the direct administrative and operational costs of the exchange into the SPR Petroleum Account established under section 167 of the Energy Policy and Conservation Act (42 U.S.C. 6247); and

(3) deposit 90 percent of the remaining net proceeds from the exchange into the account established under section 305(a).

**SEC. 305. ENERGY INDEPENDENCE AND SECURITY FUND.**

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States the “Energy Independence and Security Fund” (in this section referred to as the “Fund”).

(b) ADMINISTRATION.—The Secretary shall be responsible for administering the Fund for the purpose of carrying out this section.

(c) DEPOSITS.—The Secretary shall transfer the balance of funds in the SPR Petroleum Account on the date of enactment of this Act in excess of \$10,000,000 into the Fund.

(d) DISTRIBUTION OF FUNDS.—The Secretary shall make available for obligation, without further appropriation and without fiscal year limitation, the following amounts from the Fund:

(1) ADVANCED RESEARCH PROJECTS AGENCY—ENERGY.—The Secretary shall transfer \$100,000,000 to the account “Energy Transformation Acceleration Fund”, established under section 5012(m) of the America COMPETES Act (42 U.S.C. 16538(m)), to remain available until expended. Of the funds so transferred, the Secretary shall further allocate the amounts made available for obligation as follows:

(A) \$50,000,000 shall be available for university-based research projects.

(B) \$10,000,000 shall be available for program direction expenses.

(2) WIND ENERGY RESEARCH AND DEVELOPMENT.—The Secretary shall transfer \$15,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for a program to support the development of next-generation wind turbines, including turbines capable of operating in areas with low wind speeds, as authorized in section 931(a)(2)(B) of the Energy Policy Act of 2005 (42 U.S.C. 16231(a)(2)(B)).

(3) SOLAR ENERGY RESEARCH AND DEVELOPMENT.—The Secretary shall transfer \$30,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for a program to accelerate the research, development, demonstration, and deployment of solar energy technologies, and public edu-

cation and outreach materials pursuant to such program, as authorized by section 931(a)(2)(A) of the Energy Policy Act of 2005 (42 U.S.C. 16231(a)(2)(A)).

(4) LOW INCOME WEATHERIZATION AND LIHEAP.—The Secretary shall transfer \$100,000,000 to the account “Weatherization Assistance Program”, to remain available until expended, for necessary expenses for a program to weatherize low income housing, as authorized by section 411 of the Energy Independence and Security Act of 2007 (Public Law 110-140). The Secretary shall transfer \$100,000,000 to the Secretary of Health and Human Services for distribution to States under section 2604(a) through (d) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(a)–(d)).

(5) MARINE AND HYDROKINETIC RENEWABLE ELECTRIC ENERGY.—The Secretary shall transfer \$30,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for a program to accelerate the research, development, demonstration, and deployment of ocean and wave energy, including hydrokinetic renewable energy, as authorized by section 931 of the Energy Policy Act of 2005 (42 U.S.C. 16231) and section 636 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17215).

(6) ADVANCED VEHICLES RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—The Secretary shall transfer \$40,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for research, development, and demonstration on advanced, cost-effective technologies to improve the energy efficiency and environmental performance of vehicles, as authorized in section 911(a)(2)(A) of the Energy Policy Act of 2005 (42 U.S.C. 16191(a)(2)(A)).

(7) INDUSTRIAL ENERGY EFFICIENCY RESEARCH AND DEVELOPMENT.—The Secretary shall transfer \$110,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for a program to accelerate the research, development, demonstration, and deployment of new technologies to improve the energy efficiency and reduce greenhouse gas emissions from industrial processes, as authorized in section 911(a)(2)(C) of the Energy Policy Act of 2005 (42 U.S.C. 16191(a)(2)(C)) and in section 452 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111).

(8) BUILDING AND LIGHTING ENERGY EFFICIENCY RESEARCH AND DEVELOPMENT.—The Secretary shall transfer \$70,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for a program to accelerate the research, development, demonstration, and deployment of new technologies to improve the energy efficiency of and reduce greenhouse gas emissions from buildings, as authorized in section 321(g) of the Energy Independence and Security Act of 2007 (42 U.S.C. 6295 note), section 422 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17082), and section 912 of the Energy Policy Act of 2005 (42 U.S.C. 16192).

(9) GEOTHERMAL ENERGY DEVELOPMENT.—The Secretary shall transfer \$30,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for geothermal research and development activities to be managed by the National Renewable Energy Laboratory, as authorized by sections 613, 614, 615, and 616 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17192-95) and section 931(a)(2)(C) of the Energy Policy Act of 2005 (42 U.S.C. 16231(a)(2)(C)).



(10) SMART GRID TECHNOLOGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—The Secretary shall transfer \$30,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for research, development, and demonstration of smart grid technologies, as authorized by section 1304 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17384).

(11) CARBON CAPTURE AND STORAGE.—The Secretary shall transfer \$385,000,000 to the account “Fossil Energy Research and Development”, to remain available until expended, for necessary expenses for a program of demonstration projects of carbon capture and storage, and for a research program to address public health, safety, and environmental impacts, as authorized by section 963 of the Energy Policy Act of 2005 (42 U.S.C. 16293) and sections 703 and 707 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17251, 17255).

(12) NONCONVENTIONAL DOMESTIC NATURAL GAS PRODUCTION AND ENVIRONMENTAL RESEARCH.—

(A) The Secretary shall transfer \$50,000,000 to the account authorized by section 999H(e) of the Energy Policy Act of 2005 (42 U.S.C. 16378(e)), to remain available until expended.

(B) The Secretary shall transfer \$15,000,000 to the account “Fossil Energy Research and Development”, to remain available until expended, for necessary expenses for a program of basin-oriented assessments and public and private partnerships involving States and industry to foster the development of regional advanced technological, regulatory, and economic development strategies for the efficient and environmentally sustainable recovery and market delivery of natural gas and domestic petroleum resources within the United States, and for support for the Stripper Well Consortium.

(13) HYDROGEN RESEARCH AND DEVELOPMENT.—The Secretary shall transfer \$5,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, for necessary expenses for the Department of Energy’s 1-1Prize Program, as authorized by section 1008(f) of the Energy Policy Act of 2005 (42 U.S.C. 16396(f)).

(14) ENERGY STORAGE FOR TRANSPORTATION AND ELECTRIC POWER.—

(A) The Secretary shall transfer \$30,000,000 to the account “Basic Energy Sciences”, to remain available until expended, for necessary expenses for a program to accelerate basic research on energy storage systems to support electric drive vehicles, stationary applications, and electricity transmission and distribution, as authorized by section 641(p)(1) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17231(p)(1)).

(B) The Secretary shall transfer \$70,000,000 to the account “Energy Efficiency and Renewable Energy”, to remain available until expended, including—

(i) \$30,000,000 for a program to accelerate applied research on energy storage systems to support electric drive vehicles, stationary applications, and electricity transmission and distribution as authorized by section 641(p)(2) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17231(p)(2));

(ii) \$20,000,000 for energy storage systems demonstrations as authorized by section 641(p)(4) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17231(p)(4)); and

(iii) \$20,000,000 for vehicle energy storage systems demonstrations as authorized by section 641(p)(5) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17231(p)(5)).

(e) TRANSFER PROCEDURES.—The Secretary shall make an initial transfer from the Fund no later than 30 days after the initial deposit of monies into the Fund. The Secretary shall

make additional transfers no later than 30 days after subsequent deposits. If the amount available to be transferred is less than the levels authorized under subsection (d), the transfers for each program shall be allocated on a pro rata basis. If the amount available to be transferred exceeds the levels authorized under subsection (d), the transfers for each program shall be increased on a pro rata basis.

(f) MANAGEMENT AND OVERSIGHT.—

(1) ADDITIONALITY OF FISCAL YEAR 2008 TRANSFERS.—All amounts transferred under subsection (d) shall be in addition to, and shall not be substituted for, any funds appropriated for the same or similar purposes in the Consolidated Appropriations Act, 2008.

(2) EXCESS FUNDS.—The total of all amounts transferred under subsection (d) and any funds appropriated for the same or similar purposes in the Consolidated Appropriations Act, 2008 may not exceed the amounts authorized in other Acts for such purposes. In the event that amounts made available under this title plus amounts under the Consolidated Appropriations Act, 2008 exceed the cumulative amounts authorized in other Acts for any program funded by this Act, the excess amounts shall be distributed to the other programs funded by this title on a pro rata basis.

(3) PROGRAM PLANS AND PERFORMANCE MEASURES.—The Secretary shall prepare and publish in the Federal Register a plan for the proposed use of all funds authorized in subsection (d). The plan also shall identify how the use of these funds will be additive to, and not displace, annual appropriations. The plans also shall identify performance measures to assess the additional benefits that may be realized from the application of the additional funding provided under this section. The initial plan shall be published in the Federal Register not later than 45 days after the date of enactment of this Act.

(4) CONGRESSIONAL OVERSIGHT AND REVIEW.—Nothing in this section shall limit or restrict the review and oversight of program plans by the appropriate committees of Congress. Nothing in this section shall limit or restrict the authority of Congress to set alternative spending limitations in annual appropriations Acts.

(5) APPORTIONMENT.—All transactions of the Fund shall be exempt from apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

Mr. PETERSON of Pennsylvania (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read.

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

There was no objection.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes in support of his motion.

Mr. PETERSON of Pennsylvania. Thank you, Mr. Speaker.

I want to thank the leadership on both sides. I want to thank all of the Members for the opportunity tonight to offer America the first bipartisan energy bill that may have been offered in this century written by Republicans and Democrats in a room with just cold sandwiches night after night, working with no lobbyists, no power brokers, trying to come together like the American people want us to. They want affordable, available energy as soon as we can get it, and they want it ongoingly, and they deserve it.

We’re the most powerful Nation in the world, and it’s unfair to the American public that their future depends on weather in the gulf, that their future depends on unstable countries that provide us half of our imported oil. We get half of the 70 percent we import from friends and half of it from unstable nations. The American people are not comfortable with that. They want better.

And the American people know that our energy system could be sabotaged each and every day by the terrorists because there is no slop in the system, there’s no surplus, there’s no extra. There’s just enough oil to meet the oil demand each day, and whenever anything goes wrong, the prices skyrocket.

Folks, we have the chance here to re-evaluate our policies. I understand many years ago when we set it aside, it was cheap: \$2 gas, \$10 oil, use theirs, save ours. Folks, that day is gone. We need to now reassess where we’re at. We need to be energy independent in this country, and we need to start down that long road. It won’t be easy, and it needs to be a broad-based plan.

Our bill opens up the Outer Continental Shelf. It takes away all the prohibitions that have been put upon the Department of the Interior for leasing land. It repeals the prohibition of preventing Federal agencies from entering into contracts for procurement of alternative and synthetic fuels. It repeals limitation on the number of new qualified hybrid and advanced clean-burn technology vehicles eligible for the alternative vehicle tax benefits. That’s electric and gas cars.

It allows the use of woody biomass, the fastest growing renewable we have that’s fueling pellet stoves and factories with wood waste and will be part of cellulose ethanol as we move from corn to cellulose, prohibited today by law from using off of Federal land, wood waste. Removes that.

Folks, it removes the prohibition on shale oil, the biggest oil opportunity this country has ever had. And folks, it takes the revenues and funds the renewables better than they’ve ever been funded. It funds conservation better than it’s ever been funded. It funds clean-up efforts, environmental clean-up efforts. It funds carbon sequestration with large amounts of money.

And let me read you that paragraph which I think is vital: “The Carbon Capture and Sequestration Reserve offsets the cost of legislation enacted after the date of the enactment of the National Conservation, Environment and Energy Independence Act to promote research and development projects associated with carbon capture and storage in the production of liquid transportation fuels, electricity, synthetic natural gas, chemical feedstock and for the disposition and recycling/reprocessing of nuclear waste from nuclear power plants.”

It will fund LIHEAP for those who are not going to be able to afford their heating this winter.

Folks, this is not a perfect bill, but it's a damn good start, and it was put together by no interest groups, no corporations got involved, no environmental radical groups. None of them were at the table.

□ 2130

It was just Members of Congress who felt the needs of their districts and realized the plea of the people to give us available, affordable energy. We're the most powerful Nation. Why are we not doing that? Just recently, Russia bought a coal plant in Pennsylvania. You're going to find China buying energy plants in this country. They're building plants everywhere. They're preparing for their future while we've been sitting on our hands, bickering and bipartisanship fighting with each other.

I ask the Members of both conferences to support this act that will give America energy in the future that's affordable.

Mr. RAHALL. Mr. Speaker, with all due respect to the gentleman from Pennsylvania, I claim my 5 minutes in opposition to the motion to recommit, and I yield 2 minutes to the gentleman from Pennsylvania's partner in this effort, the gentleman from Hawaii.

The SPEAKER pro tempore. The gentleman may yield and reclaim time as he sees fit. The Chair will not monitor sub-units of time within his 5 minutes.

Mr. RAHALL. I'm sorry?

The SPEAKER pro tempore. The gentleman must keep track of the time himself. The Chair will not monitor it.

Mr. RAHALL. Fine. Thank you, Mr. Speaker.

Mr. ABERCROMBIE. Why didn't we take H.R. 6709 from the beginning just for the reasons that JOHN says and make this a bill that we all put together? We've denounced each other all day, not everybody, but the denunciations and the accusations were all taking place all day.

Where's JOHN? No, no, I love you, JOHN. The other JOHN. But I don't see him over there.

Mr. BOEHNER, the minority leader, has been talking about the other bill, the total energy bill or whatever it is all straight through. Then we come to H.R. 6709. Now, it's easy for me. I gave my word. Everybody in here knows that I give you my word, I'm going to keep it. I gave my word on this bill to try and move it along, and so I will.

What bothers me is if the intention was to work H.R. 6709 all along, why didn't we do it? It would have been easy just to say okay, Madam Speaker, let's put this together and do it.

Now, as I say, I believe that honor puts me in the position of voting for the bill as we have it on the floor, not for the recommitment.

What I'm asking is, is if we meant this for real about trying to pass something in the national interest, then that's what we should do is pass the bill that we have.

Now if the recommitment comes up and it doesn't succeed, what I'm hoping is

if the other bill passes—and I urge us to vote for that bill—that we then go to the Senate and say, look, we've got a considerable consensus here, not unanimous by any respects, but we have a considerable consensus on the drilling, on the revenue sharing, on all the items that we worked on, on a bipartisan basis.

So I think what we have to do here tonight, what I recommend to everybody on our side, is that we keep our word. We said that we were going to put this bill in good faith on the floor and move it along despite everybody saying that they had other contentions they would like to be in there, and that where H.R. 6709 is concerned on the recommitment is that it should have been offered from the beginning as a working document, but that the first part—okay. All right.

Mr. RAHALL. Regular order, Mr. Speaker.

Mr. ABERCROMBIE. You're making my point for me. You're making my point for me. We reached out to everybody. JOHN and I reached out, and not just JOHN and I, the 49 or 50 people—I named some of them tonight—to everybody. And if you think you're going to score points by yelling at me here on the floor, I think you're making my case for me.

Mr. RAHALL. Mr. Speaker, reclaiming my time, it should be noted that the recommitment motion, in taking the Abercrombie and Peterson language as it has word for word, does repeal the military mission law protection that we worked so hard to keep in for the Florida delegation.

The gentleman from Florida (Mr. YOUNG) raised that issue on the floor. He had the map, and I would say to him that because of the importance of this to our military training, our aviation training, our national security defenses, we protect this area in our bill.

The Abercrombie-Peterson measure, as read by the Clerk of the House just now, repeals the section 104 that provides for the protection of this Florida area.

So I would urge my colleagues from the State of Florida to particularly take this into recognition, as well as all of my colleagues, because this is a national security area. The Air Force uses the eastern gulf for training maneuvers. It has become crucial for maintaining our military readiness, especially after the closure of Vieques, and our compromise bill does protect this area for important defense training and exercises.

So I would hope Members would note that, and I do, of course, rise in opposition to the motion to recommit. Well, I do know where it came from, and as I said, I respect the gentleman from Pennsylvania (Mr. PETERSON) for working with Mr. ABERCROMBIE, and he has stated his reasons for opposing this language as well.

So I would urge my colleagues to oppose this motion to recommit.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. PETERSON of Pennsylvania. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 191, noes 226, not voting 17, as follows:

[Roll No. 598]

AYES—191

Aderholt	Foxx	Murphy, Tim
Akin	Franks (AZ)	Musgrave
Alexander	Galleghy	Myrick
Altmire	Garrett (NJ)	Nunes
Bachmann	Gerlach	Pearce
Bachus	Gingrey	Pence
Barrett (SC)	Gohmert	Peterson (PA)
Barrow	Goode	Petri
Bartlett (MD)	Goodlatte	Pickering
Barton (TX)	Granger	Platts
Biggart	Graves	Poe
Bilbray	Hall (TX)	Price (GA)
Bishop (UT)	Hastings (WA)	Putnam
Blackburn	Hayes	Radanovich
Blunt	Hensarling	Ramstad
Boehner	Herger	Regula
Bonner	Hereth Sandlin	Rehberg
Bono Mack	Hobson	Renzi
Boozman	Hoekstra	Reynolds
Boustany	Holden	Rogers (AL)
Broun (GA)	Hulshof	Rogers (KY)
Brown (SC)	Hunter	Rogers (MI)
Brown-Waite,	Inglis (SC)	Rohrabacher
Ginny	Issa	Roskam
Burgess	Johnson (IL)	Royce
Burton (IN)	Johnson, Sam	Ryan (WI)
Buyer	Jones (NC)	Sali
Calvert	Jordan	Saxton
Camp (MI)	Keller	Scalise
Campbell (CA)	King (IA)	Schmidt
Cannon	King (NY)	Sensenbrenner
Cantor	Kingston	Sessions
Capito	Kirk	Shadegg
Carter	Kline (MN)	Shays
Castle	Knollenberg	Shimkus
Caza, youx	Kuhl (NY)	Shuster
Chabot	LaHood	Simpson
Childers	Lamborn	Smith (NE)
Coble	Latham	Smith (TX)
Cole (OK)	LaTourette	Souder
Conaway	Latta	Stearns
Crenshaw	Lewis (CA)	Sullivan
Culberson	Lewis (KY)	Tancredo
Davis (KY)	Linder	Taylor
Davis, David	Lucas	Terry
Davis, Tom	Lungren, Daniel	Thornberry
Deal (GA)	E.	Tiahrt
Dent	Mack	Tiberi
Diaz-Balart, L.	Manzullo	Turner
Diaz-Balart, M.	Marchant	Upton
Donnelly	Marshall	Walden (OR)
Doolittle	McCarthy (CA)	Walsh (NY)
Drake	McCotter	Walz (MN)
Duncan	McCrery	Wamp
Emerson	McHenry	Weldon (FL)
English (PA)	McHugh	Weller
Everett	McIntyre	Westmoreland
Fallin	McKeon	Whitfield (KY)
Feeney	McMorris	Wilson (NM)
Ferguson	Rodgers	Wilson (SC)
Flake	Mica	Wittman (VA)
Forbes	Miller (FL)	Wolf
Fortenberry	Miller, Gary	Young (AK)
Fossella	Mitchell	Young (FL)
Foster	Moran (KS)	

NOES—226

Abercrombie	Allen	Arcuri
Ackerman	Andrews	Baca

Baird  
Baldwin  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Bilirakis  
Bishop (GA)  
Bishop (NY)  
Blumenauer  
Boren  
Boswell  
Boucher  
Boyd (FL)  
Boyd (KS)  
Brady (PA)  
Braley (IA)  
Brown, Corrine  
Buchanan  
Butterfield  
Capps  
Capuano  
Cardoza  
Carnahan  
Carson  
Castor  
Chandler  
Clarke  
Clay  
Cleaver  
Clyburn  
Cohen  
Cooper  
Costa  
Costello  
Courtney  
Cramer  
Crowley  
Cuellar  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis, Lincoln  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dicks  
Dingell  
Doggett  
Doyle  
Edwards (MD)  
Edwards (TX)  
Ellison  
Ellsworth  
Emanuel  
Engel  
Eshoo  
Etheridge  
Farr  
Fattah  
Filner  
Frank (MA)  
Frelinghuysen  
Giffords  
Gilchrest  
Gillibrand  
Gonzalez  
Gordon  
Green, Gene  
Grijalva  
Gutierrez

## NOT VOTING—17

Brady (TX)  
Conyers  
Cubin  
Dreier  
Ehlers  
Green, Al

□ 2156

Messrs. MOLLOHAN and ROTHMAN changed their vote from “aye” to “no.”

Messrs. NUNES, SIMPSON and TURNER changed their vote from “no” to “aye.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated for:

Pastor  
Payne  
Pelosi  
Perlmutter  
Peterson (MN)  
Pomeroy  
Porter  
Price (NC)  
Rahall  
Rangel  
Reichert  
Reyes  
Richardson  
Rodriguez  
Ros-Lehtinen  
Ross  
Rothman  
Roybal-Allard  
Ruppersberger  
Rush  
Ryan (OH)  
Salazar  
Sánchez, Linda  
T.  
Sanchez, Loretta  
Sarbanes  
Schakowsky  
Schiff  
Schwartz  
Scott (GA)  
Scott (VA)  
Serrano  
Sestak  
Shea-Porter  
Sherman  
Shuler  
Sires  
Skelton  
Smith (NJ)  
Smith (WA)  
Snyder  
Solis  
Space  
Speier  
Spratt  
Stark  
Blumenauer  
Stupak  
Sutton  
Tanner  
Tauscher  
Thompson (CA)  
Thompson (MS)  
Tierney  
Towns  
Tsongas  
Udall (CO)  
Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Wasserman  
Schultz  
Waters  
Watson  
Watt  
Waxman  
Clarke  
Weiner  
Welch (VT)  
Wexler  
Wilson (OH)  
Woolsey  
Wu  
Yarmuth

Ms. SLAUGHTER. Mr. Speaker, on rollcall No. 598, had I been present, I would have voted “aye.”

Stated against:

Mr. McNERNEY. Mr. Speaker, on rollcall No. 598, had I been present, I would have voted “no.”

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. RAHALL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 236, noes 189, not voting 9, as follows:

[Roll No. 599]

AYES—236

Abercrombie  
Ackerman  
Allen  
Altmire  
Andrews  
Arcuri  
Baca  
Baird  
Baldwin  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Bishop (GA)  
Bishop (NY)  
Hare  
Harman  
Boren  
Boswell  
Boucher  
Boyd (FL)  
Boyd (KS)  
Brady (PA)  
Braley (IA)  
Brown, Corrine  
Buchanan  
Butterfield  
Capuano  
Cardoza  
Carnahan  
Carney  
Carson  
Castle  
Castor  
Chandler  
Childers  
Clarke  
Clay  
Cleaver  
Clyburn  
Cohen  
Conyers  
Cooper  
Costa  
Costello  
Courtney  
Cramer  
Crowley  
Cuellar  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis, Lincoln  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dicks  
Dingell  
Doggett  
Doyle  
Donnelly  
Doyle  
Edwards (MD)  
Edwards (TX)  
Ellison  
Ellsworth  
Emanuel  
Engel

Snyder  
Solis  
Space  
Speier  
Spratt  
Stark  
Stupak  
Sutton  
Tanner  
Tauscher  
Thompson (MS)

Tierney  
Towns  
Tsongas  
Udall (CO)  
Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Walz (MN)  
Wasserman  
Schultz

## NOES—189

Aderholt  
Akin  
Alexander  
Bachmann  
Bachus  
Barrett (SC)  
Barrow  
Bartlett (MD)  
Barton (TX)  
Biggert  
Bilbray  
Bilirakis  
Bishop (UT)  
Blackburn  
Blunt  
Boehner  
Bonner  
Bono Mack  
Boozman  
Boustany  
Broun (GA)  
Brown (SC)  
Brown-Waite,  
Ginny  
Burgess  
Burton (IN)  
Buyer  
Calvert  
Camp (MI)  
Campbell (CA)  
Cannon  
Cantor  
Capito  
Capps  
Carter  
Cazayoux  
Chabot  
Coble  
Cole (OK)  
Conaway  
Crenshaw  
Culberson  
Davis (KY)  
Davis, David  
Davis, Tom  
Deal (GA)  
Dent  
Diaz-Balart, L.  
Diaz-Balart, M.  
Drake  
Duncan  
Emerson  
English (PA)  
Everett  
Fallin  
Farr  
Feeney  
Ferguson  
Filner  
Flake  
Forbes  
Fortenberry  
Fossella

## NOT VOTING—9

Brady (TX)  
Cubin  
Dreier

□ 2204

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## LEGISLATIVE PROGRAM

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