

111TH CONGRESS
1ST SESSION

H. R. 3008

To establish a National Strategic Gasoline Reserve, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 2009

Mr. KISSELL introduced the following bill; which was referred to the
Committee on Energy and Commerce

A BILL

To establish a National Strategic Gasoline Reserve, and for
other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Strategic
5 Gasoline Reserve for Purposes of National Security Act
6 of 2009”.

7 **SEC. 2. STRATEGIC GASOLINE RESERVE.**

8 (a) ESTABLISHMENT.—

9 (1) AUTHORITY.—The Secretary of Energy
10 shall establish a Strategic Gasoline Reserve system
11 (in this section referred to as the “Gasoline Re-

1 serve”) with a total capacity of 10,000,000 barrels
2 of regular unleaded gasoline.

3 (2) RESERVE LOCATIONS.—No later than 1
4 year after the date of enactment of this Act, the
5 Secretary shall determine strategic locations for no
6 less than three and no more than five Gasoline Re-
7 serve sites, each located in a different geographical
8 region of the United States. When determining site
9 locations, the Secretary shall consider all factors, in-
10 cluding seasonal and regional variations in gasoline,
11 cost, regional population, accessibility for distribu-
12 tion, and the region’s vulnerability to natural disas-
13 ters and acts of terrorism. The Secretary shall en-
14 deavor to find the most affordable method for stor-
15 age and, when possible, should consult the method-
16 ology used for the creation of the Home Heating Oil
17 Reserve and the Strategic Petroleum Reserves. Such
18 reserve site locations shall be operational within 2
19 years after the date of enactment of this Act.

20 (3) ONSITE PROTECTION.—In establishing the
21 Gasoline Reserve under this section, the Secretary
22 shall confer with the Secretary of Transportation
23 and the Secretary of Homeland Security with re-
24 spect to physical structures’ security, the transpor-
25 tation security, and operational security.

1 (b) TRANSPORTATION.—Not later than 1 year after
2 the date of enactment of this Act, the Secretary of Energy
3 shall transmit to the Congress, the Secretary of Homeland
4 Security, and the Governor of each State in which a Gaso-
5 line Reserve will be sited a plan for the transportation of
6 the contents of the Gasoline Reserve under this section
7 to wholesale or retail markets in the event of an emergency
8 sale under subsection (d).

9 (c) CAPACITY.—The Secretary of Energy shall com-
10 plete the process of filling the Gasoline Reserve to a min-
11 imum of 90 percent within 2 years of submitting a trans-
12 portation plan to the Congress.

13 (d) AGING SUPPLY.—The Secretary shall conduct an
14 annual review of the gasoline supply to ensure the reserves
15 in the Gasoline Reserve do not exceed their shelf life. The
16 Secretary shall have in place within 2 years of enactment
17 of this Act a plan for assuring that the inventory is sold
18 and replaced in a manner that assures the integrity of the
19 product at all times. The Secretary shall have the author-
20 ity to exchange an aging supply of reserve gasoline
21 through private sales or by utilizing the fuel for military
22 or government use. The Secretary shall seek the best
23 means to minimize transaction expense.

1 (e) REQUESTS FOR EMERGENCY SALE AUTHORIZA-
2 TION.—The Secretary of Energy shall sell gasoline from
3 the Gasoline Reserve if—

4 (1) the Governor of an affected State submits
5 a written request that—

6 (A) provides sufficient evidence that the
7 sale or supply of gasoline in the region in which
8 such State is located has been severely dis-
9 rupted, caused by, but not limited to, an inter-
10 ruption in the normal distribution or availability
11 of gasoline which dramatically affects the price
12 of gasoline; and

13 (B) provides sufficient evidence that the
14 State would experience further adverse effects
15 without the sale of gasoline from the Gasoline
16 Reserve; and

17 (2) the President issues an Executive order re-
18 quiring immediate release from any or all Gasoline
19 Reserves at any time that the President determines
20 that the conditions specified in paragraph (1)(A) are
21 satisfied.

22 (f) PROCEDURE.—

23 (1) SECRETARY'S RESPONSE.—The Secretary of
24 Energy shall respond to a request transmitted under
25 subsection (e) within 7 days of receipt of a request

1 through a written response, regardless of the deci-
2 sion.

3 (2) ADDITIONAL INFORMATION.—The Secretary
4 may request additional information if the Secretary
5 concludes there are insufficient reasons provided for
6 the sale of gasoline from the Gasoline Reserve sys-
7 tem.

8 (g) PURCHASE.—The Secretary of Energy is author-
9 ized to conduct purchases and sales of gasoline at whole-
10 sale for maintenance of the Gasoline Reserve system. In
11 conducting these transactions, the Secretary shall—

12 (1) ensure that the overall supply returns to a
13 minimum 90 percent capacity in a timely manner
14 following a sizeable depletion due to an emergency;
15 and

16 (2) assess market conditions to avoid, to the ex-
17 tent possible, when prices appear to be at higher lev-
18 els unlikely to be sustained, or when purchases of
19 gasoline are likely to significantly raise gasoline
20 prices in the market served by a particular Gasoline
21 Reserve for purchases consistent with the need for
22 timely replenishment of the Reserve after emergency
23 or nonemergency sales.

24 (h) ANNUAL REPORT.—At a specified date as deter-
25 mined by the Secretary of Energy, the Secretary shall sub-

1 mit to the President, the Committee on Energy and Com-
2 merce of the House of Representatives, and to the Com-
3 mittee on Energy and Natural Resources of the Senate
4 a report on the status of the Strategic Gasoline Reserve
5 outlining the Reserve's current capacity, emergency sales
6 from the previous year, any security threats in the pre-
7 vious year, and the current condition of the storage facili-
8 ties. The Secretary shall also in the report include any
9 recommendations for improvements in the efficiency of the
10 purchase, transportation, sale, and storage of gasoline in
11 the Gasoline Reserves.

12 (i) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to the Secretary of En-
14 ergy such sums as may be necessary for construction and
15 operation of the Gasoline Reserve system for fiscal years
16 2009 through 2015.

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