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

DESIGNATION OF THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore laid before the House the following communication from the Speaker:
I hereby appoint the Honorable Henry Bonilla to act as Speaker pro tempore on this day.

J. DENNIS HASTERT, House of Representatives.

PLEDGE OF ALLEGIANCE
The SPEAKER pro tempore. Will the gentleman from Florida (Mr. WELDON) come forward and lead the House in the Pledge of Allegiance.

Mr. WELDON of Florida led the Pledge of Allegiance as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNIZING AND WELCOMING THE REVEREND LAWRENCE HARGRAVE
Mr. Speaker, it is my great pleasure to recognize and welcome Reverend Lawrence Hargrave, one of my constituents but, moreover, a friend and a mentor to be the guest chaplain in the House of Representatives today.

I am extremely proud of Reverend Hargrave, not only for his heartfelt prayer service this morning, but for his continued commitment to the Rochester community. Reverend Lawrence Hargrave completed his degree in sociology from SUNY Buffalo in 1969. Remarkably, after working for almost 30 years in the private sector, he answered the call for service and completed a Master’s of Divinity from Colgate Rochester Crozer Divinity School. Reverend Hargrave is currently the acting dean of Black Church Studies at the school and is the associate minister at Mt. Olivet Baptist Church in Rochester.

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

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

URGING SUPPORT FOR THE EMPLOYER VERIFICATION ACCOUNTABILITY ACT
(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

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

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

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

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

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

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

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

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

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

I urge my colleagues to vote their conscience, to not accept backdoor deals, to stand their ground. Vote for what they already know is best for the people of their district. Vote to send CAFTA back to the drawing board.

SALUTING NASA ON A SUCCESSFUL LAUNCH OF SPACE SHUTTLE “DISCOVERY”

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

Mr. WELDON of Florida. Mr. Speaker, I rise today to salute the men and women of NASA and the contractor community for a successful launch of the Space Shuttle Discovery following a 2½ year hiatus in the operations of our space shuttle program.

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

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

PRESCRIPTION DRUG REIMPORTATION

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

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

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

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

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

IN SUPPORT OF THE ENERGY CONFERENCE REPORT

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

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

This bill is going to transform our Nation’s energy economy. It is going to breathe new life into clean coal technology, nuclear technology, renewable technology, and the ethanol industry.

It is going to create tens of thousands of jobs for the American economy. It is going to lessen dependence on foreign sources of energy.

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

A THREAT TO QUALITY HEALTH CARE

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

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

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

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

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

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

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

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

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

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

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

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

MYTHS AND FACTS ON REPUBLICAN MEDICAL MALPRACTICE LEGISLATION

(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

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

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

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

Myth number 3: The malpractice bill is about weeding out frivolous lawsuits. Not true. The proposed limits on damages would apply to all cases, no matter how serious the injury was or how egregious by the doctor, hospital, nursing home, or drug manufacturer.

Any time we are talking about taking away the rights of Americans, you have to be measured and cautious, something House Republicans are unwilling to do.

I urge my colleagues to vote "no" on H.R. 5.

GOP SOCIAL SECURITY PLAN CUTS BENEFITS AND CONTINUES TO RAID THE SOCIAL SECURITY TRUST FUND

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

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

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

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

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

INSURANCE COMPANIES RESPONSIBLE FOR HUGE MALPRACTICE INSURANCE COSTS, NOT INJURED PATIENTS

(Mrs. CHRISTENSEN asked and was given permission to address the House for 1 minute.)

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

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

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

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

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

Vote "no" on H.R. 5.

SPECIAL PROSECUTOR WIDENS INVESTIGATION INTO CIA AGENT IDENTITY SCANDAL

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

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

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

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

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

KEEPING AMERICAN IDEALS ALIVE THROUGH CAFTA

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

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

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

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

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

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

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

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

By passing the HEALTH Act of 2005, we will help ensure that doctors spend their time addressing the real needs of American patients.

In conclusion, God bless our troops, and we will never forget September 11.

CAFTA

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, America must build relationships with our neighbors, relationships that benefit both our future and theirs. But CAFTA is one more example of the White House agenda that does neither. It benefits multinational corporations while it devalues workers and communities, putting corporations on equal footing with democratically elected governments. What is this about?

Trade agreements should reflect our national values and our character. CAFTA fails on both measures. Labor and environmental standards must be an integral part of any trade and negotiation, and CAFTA fails. By failing to protect workers and the environment, CAFTA no longer benefits the U.S. as well as advancing the economies of our neighbors, that is how we must go. Vote against this dog today.

CAFTA GOOD FOR WORKERS AND CONSUMERS OVER THE LONG RUN

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

Mr. PITTS. Mr. Speaker, CAFTA has received a lot of criticism from many on the other side, but sometimes critics can be wrong. Does free trade present challenges to consumers and workers? Absolutely. Is it the death knell for manufacturers or textile makers? By no means.

I believe American workers, American products, American ingenuity can compete with any other nation on the planet, and free trade enables us to do it. In so doing, it lowers costs for consumers here and actually creates jobs. That is right, hundreds of thousands of jobs are insourced to this country.

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

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

PRESIDENT PUTTING POLITICS ABOVE NATIONAL SECURITY

(Ms. WATSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATSON. Mr. Speaker, 2 years ago, President Bush told the American people, if there were a leak out of my administration, I would want to know who it is. That was 2 years ago. It clearly was not a top priority, because if the President really wanted an answer to that question, he would have it by now.

When someone in the White House leaked Plame’s identity, they compromised hundreds of intelligence investigations that are now taking place around the world; this at a time when our intelligence-gathering plays a critical component to our national security.

The outing of a CIA agent should be a concern to us all. The President’s own father realized the serious implications of outing covert agents. He went as far as to call them almost actions that are treasonous. Now his son refuses to find out who leaked Valerie Plame’s name.

President Bush can continue to state that he wants to wait for the grand jury to finish its investigation; but if this was indeed a top priority for the President, he would have an answer by now.

DR-CAFTA

(Ms. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HARRIS. Mr. Speaker, I rise today to encourage my colleagues to pass the Dominican Republic-Central American Free Trade Agreement. I have spoken here many times on the benefits of this bill and what it would bring to our Nation and to the State of Florida, but let us remember also the benefits of free trade flow both ways.

Not only would expanded trade opportunities help American businesses, agricultural products, ranchers, and workers by removing expensive trade impediments and leveling the trade playing field; but also with improved conditions, we can look forward to a time when the threat of illegal narcotics, human smuggling, illegal immigration, and other criminal activities is no longer part of the fabric of life in Central America, Mexico, and our southern United States border.

Such a development would contribute to the security of the United States and all of our partners in this hemisphere and would greatly benefit the people of Central America. With greater development, it will contribute to more political stability and a strengthened rule of law for our partners in the DR-CAFTA region, a region that has suffered under the heels of civil war and political corruption for far too long.

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

Mr. Speaker, I urge my colleagues to support this critical politically stabilizing act.

CONGRATULATIONS ON CONFERENCE REPORTS

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

Mr. BURGESS. Mr. Speaker, it has indeed been an incredible week in this Congress, where we have seen the conference reports for the energy bill and the highway bill both completed, and likely they will come to this House this week.

I want to thank the chairman on the Committee on Energy and Commerce, the gentleman from Texas (Mr. Barton), who worked so hard on the energy bill. The chairman was fair and listened to all sides of every argument, and I believe he has produced a balanced bill.

The fact is, Mr. Speaker, we can neither drill nor conserve our way to energy independence, and indeed this bill addresses that fact and also applies significant attention to alternative energy sources as well as hybrid technology.

I want to thank the chairman of the Committee on Transportation and Infrastructure, the gentleman from Alaska (Mr. Young), for pushing so long on a product that was derailed by politics in the highway bill. I believe he also has got a good product and a product that we can afford. On the 50th anniversary of the interstate highway system, I believe it is appropriate we will be voting to extend the highway reauthorization act this week.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:
S. 47. An act to provide for the exchange of certain Federal land in the Santa Fe National Forest and certain non-Federal land in the Pecos National Historical Park in the State of New Mexico.

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

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

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

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

S. 57. An act to provide for the sale of bentonite in Big Horn County, Wyoming.

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

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

S. 136. An act to authorize the Secretary of the Interior to provide supplemental funding and other services for students attending schools located within Yosemite National Park, to authorize the Secretary of the Interior to adjust the boundaries of the Golden Gate National Recreation Area, to adjust the boundaries of Redwood National Park, and for other purposes.

S. 152. An act to enhance ecosystem protection and the range of outdoor opportunities provided by state and federal fish and game areas necessary to assist certain local school districts in the State of California in providing educational services for students attending schools located within Yosemite National Park, to authorize the Secretary of the Interior to adjust the boundaries of the Golden Gate National Recreation Area, to adjust the boundaries of Redwood National Park, and for other purposes.

S. 156. An act to designate the Ojito Wilderness with certain lands in New Mexico as wilderness, to take certain land into trust for the Pueblo of Zia, and for other purposes.

S. 161. An act to provide for a land exchange between Arizona and the Department of Agriculture and Yavapai Ranch Limited Partnership.

S. 176. An act to extend the deadline for commencement of construction of a hydroelectric project in the State of Alaska.

S. 178. An act to provide assistance to the State of New Mexico for the development of comprehensive State water plans, and for other purposes.

S. 182. An act to provide for the establishment of the Research Center for Dinosaur National Monument in the States of Colorado and Utah, and for other purposes.

S. 202. An act to authorize the American Battle Monuments Commission to establish in the State of Louisiana a memorial to honor the Buffalo Soldiers.

S. 212. An act to designate the boundary of the Barataria Preserve Unit of the Jean Lafitte National Historical Park and Preserve in the State of Louisiana, and for other purposes.

S. 215. An act to amend the Valles Caldera Preservation Act to improve the preservation of the Valles Caldera, and for other purposes.

S. 214. An act to authorize the Secretary of the Interior to cooperate with the States on the border with Mexico and other appropriate entities in conducting a hydrogeologic characterization, mapping, and modeling program for priority transboundary aquifers, and for other purposes.

S. 225. An act to direct the Secretary of Agriculture to undertake a program to reduce the risks from and mitigate the effects of avalanches on recreational users of public land.

S. 229. An act to clear title to certain real property in New Mexico associated with the Middle Rio Grande Project, and for other purposes.

S. 231. An act to authorize the Bureau of Reclamation to participate in the rehabilitation of the Wind River Lake Dam in Oregon, and for other purposes.

S. 232. An act to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to assist in the implementation of fish passage and screening facilities at non-Federal water projects, and for other purposes.

S. 244. An act to extend the deadline for commencement of construction of a hydroelectric project in the State of Wyoming.

S. 252. An act to direct the Secretary of the Interior to convey certain land in Washoe County, Nevada, to the Board of Regents of the University and Community College System of Nevada.

S. 253. An act to direct the Secretary of the Interior to convey certain land to the Edward H. McDaniel American Legion Post No. 250, in Fallon, Nevada, for the construction of a post building and memorial park for use by the American Legion, other veterans' groups, and the local community.

S. 263. An act to provide for the protection of paleontological resources on Federal lands, and for other purposes.

S. 264. An act to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize certain projects in the State of Hawaii.

S. 272. An act to designate certain National Forest System land in the Commonwealth of Puerto Rico as a component of the National Wilderness Preservation System.

S. 276. An act to revise the boundary of the Wind Cave National Park in the State of South Dakota.

S. 279. An act to amend the Act of June 7, 1924, to provide for the exercise of criminal jurisdiction.

S. 301. An act to authorize the Secretary of the Interior to provide assistance in implementing cultural preservation and recreational activities in the Connecticut River watershed of the States of New Hampshire and Vermont.

S. 396. An act to convey all right, title, and interest of the United States in and to the land described in this Act to the Secretary of the Interior for the Prairie Island Indian Community.

S. 1480. An act to establish the treatment facility and transfer of Indian Water Rights Enforcement Act. The legislation passed the House of Representatives yesterday by a majority vote of 240 to 186, but did not garner the necessary two-thirds vote to pass under suspension of the rules.

Over the past 25 years, U.S.-China trade has risen from $5 billion to $231 billion, and China is now our third largest trading partner. In 2001, China joined the World Trade Organization by notifying the WTO they had formally ratified the WTO agreements. However, a report released in December of 2004 by the U.S. Trade Representative stated that while China is hard to comply with its WTO commitments, they have not always been satisfactory.
Major areas of concern identified in the report included intellectual property rights, agricultural services, industrial policies, trade rights and distribution, and transparency of trade laws. This legislation addresses these concerns by creating concrete mechanisms to ensure that China abides by its previous commitments and that we renew our efforts to level the playing field for American manufacturers competing against subsidized Chinese goods.

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

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

The bill also tightens the rules on antidumping duties by requiring cash deposits and suspending for 3 years the availability of bonds for new shippers in antidumping cases in order to prevent those shippers from defaulting on their obligations. H.R. 3283 increases funding for the U.S. Trade Representative to improve the monitoring and enforcement of U.S. trade agreements, something that we hear about an awful lot on this floor, the lack of enforcement of prior trade agreements. This directs the trade representative to make that a priority.

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

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

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

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

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

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

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

Last night the Committee on Rules heard testimony on three amendments that would seriously address some of the major challenges facing U.S. trade with China and other nonmarket economies. First, there was the amendment modeled on the bipartisan bill originally introduced by the gentleman from Ohio (Mr. Ryan), the gentleman from California (Mr. Hunter) and the gentleman from Alabama (Mr. Davis). This amendment actually provided needed remedies to tackling China's currency manipulation.

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

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

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

What is the majority afraid of, a shot at up-or-down votes?

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

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

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

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

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

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

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

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

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

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

Mr. Rogers. The gentleman from Michigan (Mr. Rogers), a man from a heavy industry and manufacturing who understands well the challenges imposed by the lack of enforcement of these agreements, said the following.

Mr. Speaker, producing automobile glass.

Mr. Speaker, is your glass. After three con-

and worry about how they did not have time to debate the issue that is so important.

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

Trade is important. It is the engine of prosperity. Commerce is our best diplomat, and today we send that very clear message to places like China that are cheating. It is amazing, and I want to talk just a minute about counterfeit goods, because in this bill for the first time we say you have to have a trade enforcement officer who gets up in the morning, and her whole job for the whole day is going to make sure that countries like China are living up to their WTO and the world trade agreements and agreements and the rule of law, the protection of intellectual property.

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

This is the day that we stand up for America and say, We will not take it anymore.

Windshields in China, a group of automobile companies went together and said you cannot counterfeit these things, it puts Americans at risk. There are no safety factors in your glass. After three convictions in China, that company is still producing automobile glass.

Brake pads, there was a woman killed in Saudi Arabia because they put formed grass in brake pads and sold them as a counterfeit part; and, unfortunately, took her life. This is awfully important stuff.

Mr. Speaker, I urge my colleagues to get over the partisanship and get over the debate about debating, and for the first time send a very clear message that we will stand up for American workers, we will stand behind their products in the future of trade and prosperity, and we will not allow countries like China to cheat our economy and steal our jobs.

Mr. McGovern. Mr. Speaker, I yield myself such time as may be consumed.

Mr. Speaker, let me just respond to the gentleman from Michigan (Mr. Rogers) by saying we are very concerned about the fact that China is cheating and not keeping its word with us and the protection with this bill is it is largely symbolic. It does not do what we want it to do.

In fact, if press reports are to be believed, this bill is being brought to the floor today as ineffective as it is, so Members on both sides of the aisle can have some cover to vote for CAFTA later on today. This bill is largely symbolic. This bill is not tough. It is ineffective.

The gentleman complains that those on our side are criticizing the way this rule has been put together. We are criticizing because we have amendments that will actually make this bill tough and will strengthen this bill.

We are sending a great message to China about democracy when the Committee on Rules last night shut off all debate, when it says to Members who have legitimate amendments that have bipartisan cosponsorship on amendments, this way, you problem with this bill is it is largely symbolic. It does not do what we want it to do.

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

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

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

Recently, they wanted all 435 Members of the House to accept the leadership’s version of the bill; no changes, no arguments, no additions, no recommendations for improvement, just yes or no. This is like being given an opportunity to vote in an election with only one candidate on the ballot. It is a stretch to call that democracy.

The question is what is the House leadership afraid of? They do not want the membership of the body to have an opportunity to offer their amendments.

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I hope the sad irony of this is not going to be lost on anybody here today, because Buffalo Color should be able to count on its Federal Government to provide protection from unfair trade practices. With this bill, the Republican leadership is failing to meet that responsibility.

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

Mr. Speaker, let me just take one moment to correct something that was said by my friend from Massachusetts about this week being filled with renaming of post offices. We have managed to find time this week to pass the first comprehensive postal reform in years. There is the strong likelihood of at least a couple of appropriations conference reports; the Central American Free Trade Agreement; a highway conference report; an energy conference report; and a bill to get strict with China about enforcing our trade agreements.

The gentleman from New York is correct to bring us up for a vote yesterday or the suspension calendar. Under House rules it requires a two-thirds vote to be passed. It garnered 240 votes, shy of two-thirds, but a clear majority, with 19 Democrats also believing that it was important to enforce trade agreements with China. It was our mistake, apparently, to believe that it was important to enforce trade agreements with China, as I talked to the DCM a few weeks ago, says, we are not going to reevaluate. The pressure was so great out of Congress on the markets and manipulation that they made a small concession. They need to maintain control.

The plain truth is that for all my criticism of China, they have been helping to prop up our currency. As Arab countries back out of our currency and move to the Israeli shekel, China will have a much tougher time. China, as I said by my friend from Massachusetts about this week being filled with renaming of post offices. We have managed to find time this week to pass the first comprehensive postal reform in years. There is the strong likelihood of at least a couple of appropriations conference reports; the Central American Free Trade Agreement; a highway conference report; an energy conference report; and a bill to get strict with China about enforcing our trade agreements.

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moving forth. I believe this incrementally, and that is politics. It is not some dramatic speech. It is not denouncing China. It is actually making incremental policy changes. We just got the double. With this bill and the currency reevaluation, we have made the first step with China that we have had in years. I think we should be commended, and I think we should try to get a unanimous vote after the politics are done.

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

Let me just say to the gentleman from Indiana that I share his anguish over the process. I share his frustration over the fact that many of us, we want to have more of a policy debate here. I would suggest to the gentleman from Florida that just to make it clear that one of the reasons why so many of us voted against this bill yesterday, one is because it does not have any teeth in it. That does not mean it does not have reports; reports and dialogue, and that is it. We have had enough of that. We wanted something that had some teeth in it, that was actually going to send China the message we want to be sending.

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

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

Mr. Pascrell. Mr. Speaker, the gig is up on both sides of the aisle, regardless of how trade bills, and this is trade day, I guess, on the floor of the House, regardless of how these bills go up or down, the American public knows who is exposing and who is extending and who is siding with China years after the horse is out of the barn. China is obviously not playing by the rules. You tell me whether they are or they are not. The American people want to know where you stand. They want the American people to know where they stand on this.

The result is destroying family wage production jobs here in this United States. This bill does not contain the answers. It should be defeated altogether, and considered on this floor to buy a few votes is an embarrassment to the House of Representatives.

Let us look at the facts. Let us look at the data. Our trade deficit with China is rapidly growing. It reached $162 billion last year. It was $16 billion in the month of May alone. China is buying huge chunks of our Nation’s growing debt. Do you know how much debt China owns of ours? Is that not embarrassing? Human rights abuses continue to be a problem in China. People from both sides of the aisle have stated on the record what those abuses are. They are not hidden. They are exposed. Yet God knows what do not know.

China continues its piracy of U.S. goods and products unabated. Unabated. Many factories in China still utilize child and prison labor. We cannot even get in to see what is going on in those factories.

China has only made a minor change in disconnecting its currency from the dollar. Another fig leaf. It is on the front page of the Financial Times and the Wall Street Journal and the New York Times. Who are those trade people kidding? They are not kidding the American people at all. Our Nation’s manufacturing sector and the manufacturing capability throughout the world is being decimated by China’s use of low-wage, no-regulation, non-market conditions.

This free trade gig is up. It is exposed. Just today, 9:30 this morning, I can report to the Congress of the United States in New Jersey where the U.S. Chamber of Commerce has said, we are going to gain all of these jobs from this trade, we are going to gain all of these jobs from CAPTA. We did a survey of 180 small New Jersey manufacturers. One hundred four small manufacturers and business owners told us they did not think CAPTA would have any impact on their business. One-quarter of the entire sample told us that CAPTA would have a negative impact and lead to job losses, and they were willing to document it. We will bring that up for another debate.

I ask you, taking such minor action today like this bill and the resolution condemning the Unocal bid, ho-ho-ho. And the majority thinks it can show American manufacturers and American families that it is concerned about China at this stage? You are not fooling anybody.

This is a fig leaf, Mr. Speaker.
And, finally, they voted against requiring the Treasury to clarify its definition of currency manipulation in the context of the very modest change that the Chinese have now put forward.

This is common sense legislation. It was introduced originally by the gentleman from Pennsylvania introduced, and it certainly did not materialize out of nowhere because all of these components we have been familiar with for years. It is just that the minority in the Committee on Ways and Means never had much interest in issues like CVD before.

The rule underlying this debate is consistent with Ways and Means traditions, sought and supported by both parties when they were in the majority. So this is not about stifling debate. This is about moving a bill forward.

Simply by offering silly process arguments like the other side did yesterday is not enough. Offering a fig leaf alternative, a bill dropped in the same day that we announced the consensus we had was not enough. The truth was blurted out, may I tell the Members, Mr. Speaker, today in The Hill magazine in which it quoted a spokesman for the Committee on Ways and Means Democrats as saying: 'The minority has offered no opposition to the bill stemmed as much from its role in the CAPTA battle as from the strength of its content.'

This is all about cynicism. This is all about politics being played by their side of the aisle. They would rather stop a significant first step in dealing with China if it inconveniences their strategy on CAPTA. In other words, they are more worried about dealing with another trade agreement, dealing with five countries whose combined economy is smaller than that of the Czech Republic, than dealing with the real problem and the real threat in Beijing.

This is cynical. This is outrageous. And I urge all of my colleagues, including those intrepid Democrats who supported us on this bill yesterday, to join with us to get it through today; and if they want to vote "no," let them do it. That is democracy, but the voters will hold them accountable.

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

The gentleman from Florida just commended the gentleman from Pennsylvania for being the author of the bill. And the gentleman from Pennsylvania introduced, and then, mysteriously, this is the bill that came out of nowhere out of the Committee on Ways and Means, no hearings, no markup, nothing. So we are talking about two different pieces of legislation. This bill that mysteriously has appeared before us weakens the countervailing duty section. It makes this bill that the gentleman from Pennsylvania introduced originally worse. So that is what we are concerned with.

Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey (Mr. PASCRELL).

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

Mr. Speaker. I am very disturbed that the gentleman from Pennsylvania, the last speaker, has introduced parallelism in the bill that the Republican administration has carried both administration officials for the Democratic and Republican party, as giving away the kitchen sink. We gave it away. We gave it away in the Free China deal. We gave up article 1, section 8 of the Constitution, what we learn in the eighth grade: commerce among the states. No action is provided in this bill against China in regards to their infringement of intellectual property. My friends talk about the textile issues and the flooding of the market after the quotas were finished. We have certain legislation for action against China in regards to the flooding of markets.

So what does this bill do? Does it deal with countervailing duties? Yes, it does. That is where we have illegally subsidized products coming into the U.S. market. But what does it do? It provides some relief on one hand, but makes it more difficult on the other. It is hard to figure out whether it is a plus or a minus.

This is what my friends talk about more money. It does not provide any more money. We have already done that through the appropriation bills. We do not need this bill to do it. There is nothing new in this bill.

My friends talked about other issues that are not in this bill. Read the bill. We have missed an opportunity to deal with China by this rule. I hope we will listen to what the gentleman from the Committee on Rules is saying on the Democratic side. Give us a chance to have a full debate on China. That is the tradition of this body.

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

As the gentleman is aware, House rules allow for the motion to recommit and sets aside time for debate on the Democratic alternative to the legislation that we are considering here.

Mr. Speaker, I yield 2 minutes to the gentleman from Fort Lauderdale, Florida (Mr. SHAW), the chairman of the Trade Subcommittee of the Committee on Ways and Means.

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

I do want to respond to several items that have been made. I think the gentleman from Florida (Mr. PUTNAM) just simply pointed out that the motion to recommit can certainly be withstanding, hoping that incorporate the amendments that the minority is speaking of.

But let us take a look at what this bill does. The gentleman from Massachusetts was pointing out that there was more to this bill than the original bill filed by the gentleman from Pennsylvania (Mr. ENGLISH). I might say it, too, that he is absolutely correct because there is a substantial provision in there that was written by the gentleman from New York (Mr. RANGE1), the ranking Democrat on the Committee on Ways and Means. There was also a provision by the gentleman from Michigan (Mr. ROGERS), the gentleman from Mississippi (Mr. PICKERING), the
Mr. SHAW. Mr. Speaker, reclaiming my time, I would say to the gentleman that we do not waive any of those rights in the bill that is before the House today.

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

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

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

Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. PASCAREL), the gentleman from Ohio (Mr. BROWN), the gentleman from Massachusetts for yielding me this time.

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

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

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

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

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

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

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

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

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

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

Mr. Speaker, the vote that we are voting on today, when we talk about amendments, this is the same exact bill that we voted on yesterday in suspension. So the same bill, not amendments, the same bill as yesterday, and we are bringing it up today, we had 240 votes.

China policy. I understand while many of my colleagues on the other side, and some on our side, have difficulty with China, it is a very difficult problem.

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Mr. Speaker, the vote that we are voting on today, when we talk about amendments, this is the same exact bill that we voted on yesterday in suspension. So the same bill, not amendments, the same bill as yesterday, and we are bringing it up today, we had 240 votes.

China policy. I understand while many of my colleagues on the other side, and some on our side, have difficulty with China, it is a very difficult problem.

Mr. Speaker, thank the gentleman from Michigan (Mr. LEVIN) and the gentleman from Wisconsin (Mr. CARDIN), members of the Committee on Ways and Means, they want it to be, but it should have nothing to do with CAFTA.

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

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

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

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

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

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

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in years, a highway bill that has been in the making for over 2 Congresses now, an energy conference report that has also been in the making for over 2 Congresses now; the opportunity to have at least one and perhaps as many as three appropriations conference reports before we enter the August district work period; and a Central American Free Trade Agreement, as well as a bill that gets tough with China, that finally holds our administrative feet and the feet of, either party’s feet to the fire, and requires that they monitor and enforce the existing trade agreements that have been enacted by this Congress.

1145

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

The application of U.S. countervailing duty law on nonmarket economies is not an empty gesture. A system of comprehensive monitoring of Chinese compliance with their trade obligations on intellectual property rights; market access for our American goods, services, and agriculture; an accounting of the Chinese subsidies; increased transparency so that we know what the government ownership is, we know what they are subsidizing, we know how much. Those are more than fig leaves, Mr. Speaker.

It requires reporting by Treasury to define the currency manipulation and to analyze the effect of what the Chinese did with their new exchange rate policy. It is a bipartisan effort. This bill gives Members the opportunity to pass as many tools in the tool kit as possible to enforce and monitor their compliance, to bring about that transparency so that the world community can see what is going on, can see where there are distortions, can see where there is manipulation; and now it is back today for a straight up-or-down vote. Yesterday, it got 240 votes. Today, I hope it gets even more. Yesterday there were 19 Democrats who supported it. There were five Republicans who opposed it. It is a bipartisan effort, bipartisan angst, bipartisan support. I urge the Members to pass the rule and the underlying bill.

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

PREVIOUS QUESTION FOR H. RES. 377 H.R. 3283—UNITED STATES TRADE RIGHTS ENFORCEMENT ACT.

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

“(2) the amendment in the nature of a substitute printed in Section 2 of this resolution if offered by Representative Rangel of New York or a designee, which shall be in order if offered by Representative Rangel of New York or a designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read, and shall be separately debated for an equal time equally divided and controlled by the proponent and an opponent; and (3)”

At the end of the resolution add the following new section:

“SEC. 2. The amendment by Representative Rangel referred to in Section 1 is as follows: AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3283.

OFFERED BY MR. RANGEL OF NEW YORK

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE. This Act may be cited as the “Fair Trade with China Act of 2005”.

SEC. 2. FINDINGS.

The Congress finds as follows:

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

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

(3) The United States trade deficit with China has doubled since 2000, reaching $222 billion in 2004, the largest bilateral trade deficit in the world.

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

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

(6) China has become a major purchaser of United States Treasury bonds, and United States taxpayers have paid more than $2,500,000,000,000 in interest since 2000.

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

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

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

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

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

(12) Since 1994, China has kept its currency pegged at approximately 8.3 renminbi to the United States dollar, which has caused the renminbi to become undervalued against the dollar by as much as 40 percent, harming exports of United States goods and services to China and providing an unfair advantage to Chinese exports to the United States.

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

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

SEC. 3. APPLICATION OF COUNTERVAILING DUTIES TO NONMARKET ECONOMY COUNTRIES.

(a) In general.—Section 781(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1781(a)(1)) is amended by inserting “including a nonmarket economy country” after “country” each place it appears.

(b) EFFECTIVE DATE. The amendments made by subsection (a) apply to petitions filed under section 751 of the Tariff Act of 1930 on or after the date of the enactment of this Act.

SEC. 4. TREATMENT OF CURRENCY MANIPULATION.

(a) Definition of Unjustifiable Acts, Policies, and Practices.—Section 301(d)(4)(B) of the Tariff Act of 1974 (19 U.S.C. 2411(d)(4)(B)) is amended to read as follows:

“(4) In this subparagraph, the term ‘currency manipulation’ means the protracted large-scale intervention by an authority to undervalue its currency in the exchange market that prevents adjustment of payments adjustment or gains an unfair competitive advantage over the United States.”

INVESTIGATION INTO CURRENCY MANIPULATION BY THE PEOPLE’S REPUBLIC OF CHINA.”
(1) INVESTIGATION, DETERMINATIONS, ACTIONS.—The United States Trade Representative shall—
(A) conduct an investigation under sections 301 and 303 of the Trade Act of 1974, of the currency practices of the People’s Republic of China;
(B) make the applicable determinations under section 301 of that Act pursuant to that investigation; and
(C) implement any action, under section 305 of that Act, in accordance with such determinations.

(2) INITIATION OF INVESTIGATION.—The United States Trade Representative shall initiate the investigation required by paragraph (1) no later than 90 days after the date of the enactment of this Act.

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

(a) AMENDMENTS TO STANDARD FOR TRADE REPRESENTATIVE’S RECOMMENDATION TO THE PRESIDENT.—Section 421(b)(2) of the Trade Act of 1974 (19 U.S.C. 2411(b)(2)) is amended—
(1) by striking “(2) Within” and inserting “(2)(A) Within”;

(b) TIMING OF REPORTS ON INVESTIGATION.

(A) The Trade Representative shall seek consultations with foreign country that the Trade Representative shall initiate under section 302(b)(1) an investigation as quickly as possible or, if elimination of such practices is required to request under section 303(a), shall submit a report to the appropriate congressional committees under subsection (a)(1), the Trade Representative shall seek consultations with foreign country that the Trade Representative shall initiate under section 302(b)(1) an investigation as quickly as possible. In the negotiations reached by the Commission.

(c) CONFORMING AMENDMENT.—The item relating to section 313 in the table of contents of the Trade Act of 1974 is amended to read as follows:

“Sec. 313. Identification of trade expansion priorities.”

SEC. 7. REQUIREMENT OF CASH DEPOSITS.

Section 571(a)(1)(B) of the Tariff Act of 1930 (19 U.S.C. 1675(a)(2)(B)) is amended—
(1) by striking clause (iii); and

(b) INITIAL REPORT ON CHINESE PRACTICES.—Not later than 90 days after the date of the enactment of this Act, the United States Trade Representative shall identify, report to the Congress on, priority foreign trade practices of the People’s Republic of China, in accordance with section 310 of the Trade Act of 1974, as amended by subsection (b) of this section.

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

“Sec. 310. Identification of trade expansion priorities.”
exchange market that prevents effective balance of payments adjustment or gains an unfair competitive advantage over the United States.

(3) Rule XX.—The Speaker pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

STATE HIGH RISK POOL FUNDING EXTENSION ACT OF 2005

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3204) to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools, as amended.

The Clerk read as follows:

H.R. 3204

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 “State High Risk Pool Funding Extension Act of 2005”.

SEC. 2. EXTENSION OF FUNDING FOR ESTABLISHMENT AND OPERATION OF STATE HIGH RISK HEALTH INSURANCE POOLS;

(a) AUTHORIZATION OF APPROPRIATIONS.—

Subsection (c) of section 2745 of the Public Health Service Act (42 U.S.C. 300gg-45) is amended to read as follows:

“(c) AUTHORIZATION OF APPROPRIATIONS.—

“(1) SEED GRANTS.—For the purpose of carrying out subsection (a), there is authorized to be appropriated $35,000,000 for fiscal year 2005.

“(2) OPERATION OF POOLS.—For the purpose of carrying out subsection (b), there is authorized to be appropriated $50,000,000 for each of the fiscal years 2005 through 2009.

“(3) AVAILABILITY; RULE OF CONSTRUCTION.—Funds appropriated under this subsection for a fiscal year shall be available for obligation through the end of the following fiscal year.

Nothing in this section shall be construed as providing a State with an entitlement to a grant under this section.

(b) CHANGE IN REQUIREMENTS FOR QUALIFIED HIGH RISK POOLS;

(1) CHANGE IN REQUIREMENT FOR OPERATIONAL GRANTS.—Subsection (b) of such section is amended—

(A) in paragraph (1)(A), by inserting “or 200 percent in the case of a State that meets the requirements of paragraph (3)’’ after “150 percent’’;

(B) in paragraph (1)(C), by striking “after the end of fiscal year 2004” and inserting “after the end of the last fiscal year for which a grant is provided under this paragraph’’; and

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

“(D) SPECIAL RULE FOR POOLS CHARGING HIGHER PREMIUMS.—In the case of a qualified high risk pool of a State which charges premiums that exceed 150 percent of the premium for applicable standard coverage, the State shall use at least 50 percent of the amount of the grant provided to carry out this subsection to reduce premiums for enrollees.

(2) CHANGE IN DEFINITION OF QUALIFIED HIGH RISK POOL.—Subsection (d) of such section is amended to read as follows:

“(d) DEFINITIONS.—In this section—

“(1) QUALIFIED HIGH RISK POOL.—The term ‘qualified high risk pool’ has the meaning given such term in section 2744(c)(2), except that a State may elect to meet the requirement of subparagraph (A) ‘(to the extent that it requires the provision of coverage to all eligible individuals) through providing for the enrollment of eligible individuals through an acceptable alternative mechanism (as defined for purposes of section 2744) that includes a high risk pool as a component.’

“(2) STANDARD RISK RATE.—The term ‘standard risk rate’ means a rate that—

“(A) is determined under the State high risk pool by considering the premium rates charged by other health insurers offering health insurance coverage to individuals in the insurance market served;

“(B) is established using reasonable actuarial techniques;

“(C) reflects anticipated claims experience and expenses for the coverage involved.

“(3) STATE.—The term ‘State’ means any of the 50 States, the District of Columbia.

“(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to grants for fiscal years beginning with fiscal year 2005.

(3) CLARIFICATION IN FORMULA FOR OPERATIONAL GRANTS.—Subsection (b)(2) of such section is amended—

(A) by inserting “(before fiscal year 2005)’’ after “for a fiscal year beginning with fiscal year 2005’’;

(B) by adding at the end the following: “The amount appropriated under subsection (c)(2) for a fiscal year beginning with fiscal year 2005 (but the amount made available to carry out subsection (f)(1) shall be made available to the States (including entities that operate the high risk pool under applicable State law in a State) that qualify for a grant under subsection (b) as follows:

“(A) An amount equal to 5 of such amount shall be allocated in equal amounts among such qualifying States.

“(B) An amount equal to 5 of such amount shall be allocated among such States so that the amount provided to a State bears the same ratio to such available amount as the number of uninsured individuals in the State bears to the total number of uninsured individuals in all such States (as determined by the Secretary).

“(C) An amount equal to 5 of such amount shall be allocated among such States so that the amount provided to a State bears the same ratio to such available amount as the total number of individuals so enrolled through qualified high risk pools in all such States (as determined by the Secretary).’’;

(4) ADMINISTRATIVE PROVISIONS; ANNUAL REPORT.—Such section is amended by adding at the end the following new subsection:

“(a) ADMINISTRATIVE PROVISIONS; ANNUAL REPORT.—To be eligible for a grant under this section, a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) NO ENTITLEMENT.—Nothing in this section shall be construed as providing a State with an entitlement to a grant under this section.

“(a) ANNUAL REPORT.—The Secretary shall submit to Congress an annual report on grants provided under this section. Each such report shall include information on the distribution of grants among the States and the use of grant funds by States.

“(b) BONUS GRANTS FOR SUPPLEMENTAL CONSUMER BENEFITS.—Such section is further amended—

(1) by adding a new paragraph—

“(1) BONUS GRANTS FOR SUPPLEMENTAL CONSUMER BENEFITS.—In the case of each State that has established a qualified high risk pool, the Secretary shall provide, from the funds made available under subsection (c)(2) to carry out this subsection, a grant to provide supplemental consumer benefits to enrollees or potential enrollees (or defined subsets of such enrollees or potential enrollees) in qualified high risk pools.

“(2) NO ENTITLEMENT.—Nothing in this subsection shall be construed as providing a State with an entitlement to a grant under this section.

“(a) ANNUAL REPORT.—The Secretary shall submit to Congress an annual report on grants provided under this section. Each such report shall include information on the distribution of grants among the States and the use of grant funds by States.

“(b) BONUS GRANTS FOR SUPPLEMENTAL CONSUMER BENEFITS.—In the case of each State that has established a qualified high risk pool, the Secretary shall provide, from the funds made available under subsection (c)(2) to carry out this subsection, a grant to provide supplemental consumer benefits to enrollees or potential enrollees (or defined subsets of such enrollees or potential enrollees) in qualified high risk pools.

“(2) NO ENTITLEMENT.—Nothing in this subsection shall be construed as providing a State with an entitlement to a grant under this section.

“(3) LIMITATION.—In no case shall the amount of a grant under this subsection to a State, from the amount made available under subsection (c)(2) for a fiscal year to carry out this subsection, exceed 10 percent of the amount so made available.

“(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit a State that, on the date of enactment of this subsection, is in the process of implementing programs to provide benefits of the type described under this subsection from being eligible for a grant under this subsection.

“(5) FUNDING.—
"(A) AVAILABILITY. Funds appropriated under this subsection for a fiscal year shall remain available for obligation through the end of the following fiscal year."

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

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

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

The SPEAKER pro tempore. Pursuant to the rule, Mr. DEAL is recognized for 20 minutes.

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

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

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

My excellent subcommittee chairman, the gentleman from Georgia (Mr. DEAL), has worked very hard on this on a bipartisan fashion. The ranking member, the gentleman from Michigan (Mr. DINGELL) of the full committee level, and the gentleman from Ohio (Mr. BROWN), the ranking member of the subcommittee, have worked to make the bills that we are going to consider today very, very good bills as well as very bipartisan bills. So, Mr. Speaker, I am simply saying that the first bill that we are going to consider today worthy of consideration, and I hope the House will pass it expeditiously and then move to the next four.

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

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

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

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

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

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

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

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

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

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

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

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

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

And health insurers use every trick in the book to do that, to avoid those people. To the extent they can get away with it, commercial insurers underwrite and price people who need coverage right out of the insurance market. Private health insurance used to be a community; now it is almost a country club. So we are left with stopgap mechanisms like high-risk insurance pools.

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

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

As it stands, States can and have used Federal risk-pool funding to replace dollars collected from the pool from private insurers, leaving the risk pools themselves no better off. That is a questionable use of Federal funding.

My amendment that the committee accepted reminds the States that Federal high-risk pool funding is intended to expand the quality and reach of high-risk pools, not to let commercial insurers off the hook for making those pools unnecessary.

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

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

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

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

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

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

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

This legislation today extends that principle. I am extremely encouraged that 33 States across this country have taken advantage of the prior legislation enacted in 2002 and have established these high-risk pools to help individuals in their State who are in the high-risk category and cannot find available to them insurance at an affordable rate.

In carrying those principles forward, this legislation first and foremost encourages additional States to create high-risk pools. To accomplish that goal it provides $15 million in seed federal grant money as well as provide $50 million in the annual funding to help in the creation and operation of high-risk pools. Mr. Speaker, this is a nonpartisan issue. As we all well know, the increasing cost of health care has affected millions of Americans. The number of uninsured Americans is obviously too high. I think one of the needs for a change in the way we think about delivering health insurance. Congress must act in a way that will increase the affordability and the accessibility of health care for our citizens. We must also be thinking about those who are hard to insure or are simply uninsured due to their preexisting conditions or chronic illness.

In that light, high-risk pools have quietly become an important part of our Nation’s public/private patchwork of health care coverage for individuals with costly health conditions. These folks are oftentimes employed and paying their taxes, but cannot get coverage under a normal insurance plan in the individual market. Pools are already covering thousands of people who through no fault of their own do not have access to group health insurance and simply cannot afford coverage in the individual market.

Thirty-one States thankfully are already operating high-risk pools. The coverage they offer is good coverage. Oftentimes it is as good as what is offered in the private insurance market in that State. However, enrollees are already paying dearly for coverage. This makes sense because pool members are by definition those who are considered to be uninsured. However, we limit how much can be charged, generally between 125 and 150 percent of the base individual market rate.

One of the important provisions of H.R. 3204 is that it requires States that charge premiums that exceed 150 percent to use at least 250 percent of their Federal grant to reduce their premiums.

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

High-risk pools reduce burden on the government in the long term by providing those with serious conditions a private safety net of coverage. I hope that all States, and that includes my home State of Georgia, will soon have high-risk pools. I urge everyone to support this legislation.

Mr. DEAL of Georgia. Mr. Speaker, I want to thank my colleague from Georgia (Mr. NORWOOD) for taking time out on his birthday to be with us, and I congratulate him on his birthday.

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

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

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

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

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

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

Mr. DEAL of Georgia. Mr. Speaker, will the gentlewoman yield?

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

Mr. DEAL of Georgia. Mr. Speaker, I thank the gentlewoman. I want to assure her that we will work with her and the other Representatives from the territories in conference to try to make
sure that they are included in this re-
authorization of the State high-risk pool. I thank her for her comments. I think they were well taken. And I have already spoken to the author of the legislation, and he assures me that he is in agreement with the proposition that the gentlemaness has brought to our attention.

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

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

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

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

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

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

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

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

The question is on the mo-

The motion to reconsider was laid on

A motion to reconsider was laid on
enabling those companies to compete on a global scale.

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

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

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

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

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

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

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

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

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

Mr. PITTS. Mr. Speaker, as a sponsor of this legislation in the House, I rise in strong support of S. 1395. This bipartisan legislation would reform laws that govern the export of American-made pharmaceutical products. This is a jobs bill that will benefit small businesses, particularly small pharmaceutical companies employing between 100 and 250 highly paid workers.

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

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

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

We need to make sure that we treat them fairly and give them every opportunity to succeed.

This bill removes just one of the barriers that prevent their success.

I urge support for this bill.

And continued support for our Nation’s small businesses.

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

Mr. DEAL of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. Norwood) for closing.

Mr. NORWOOD. Mr. Speaker, I thank the gentleman for yielding me this time, and I think it is pretty obvious that all is said that needs to be said, so I will be very, very brief.

I just simply want to rise in support of the Controlled Substances Export Reform Act of 2005. This is very commonsense legislation; and I thank my good friend, the gentleman from Pennsylvania (Mr. Pitts), for spearheading this in the House and would hope that all Members would vote for it.

Mr. CANNON. Mr. Speaker, as America strives to adapt to a world of rapidly changing international trade, preserving and expanding U.S. manufacturing and production capabilities becomes ever more important. This is particularly true in Utah where current restrictions on exports of the medicines we produce have discouraged industry growth and threatened workers’ jobs.

The Controlled Substances Export Reform Act currently allows U.S. pharmaceutical companies to export most controlled substances only to the exact country where their product will be used. Shipments of U.S. medicines to central sites for further cross-border distribution, even when conducted under the watchful
eyes of the U.S. Drug Enforcement Administration and Department of Justice, is prohibited for U.S. exporters. This contrasts with the freedom of drug manufacturers throughout the rest of the world to readily move their products among and between international drug control treaty countries without limit or restriction. These limitations put U.S. manufacturers at a disadvantage by requiring more frequent and costly shipments to each individual country of use. We are effectively discouraging domestic manufacturing while encouraging U.S. drug exporters to move production overseas.

Therefore, I urge the measure to pass the Senate, and I urge the measure to be considered patient safety work product.

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

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

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

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

A motion to reconsider was laid on the table.

PATIENT SAFETY AND QUALITY IMPROVEMENT ACT OF 2005

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

The Clerk read as follows:

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

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

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

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

“PART C—PATIENT SAFETY IMPROVEMENT”

“Sec. 921. Definitions.
“Sec. 922. Privilege and confidentiality protections.
“Sec. 923. Establishment of patient safety databases.
“Sec. 924. Patient safety organization certification and listing.
“Sec. 925. Technical assistance.
“Sec. 926. Severability.

SEC. 2. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.

(a) IN GENERAL.—Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

(1) in section 921(c), by inserting “; in accordance with part C,” after “The Director shall”;

(2) by redesignating part C as part D;

(3) by redesignating sections 921 through 928, as sections 931 through 938, respectively;

(4) in section 938(1) (as so redesignated), by striking “921” and inserting “931”;

and by inserting the following:

“PART C—PATIENT SAFETY IMPROVEMENT

SEC. 921. DEFINITIONS.

“In this part—

(1) HIPAA CONFIDENTIALITY REGULATIONS.—The term ‘HIPAA confidentiality regulations’ means regulations promulgated under section 264(c)(4) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 102-570; 110 Stat. 794).

(2) IDENTIFIABLE PATIENT SAFETY WORK PRODUCT.—The term ‘identifiable patient safety work product’ means patient safety work product that—

(A) is presented in a form and manner that allows the identification of any provider that is a subject of the work product, or any providers that participate in activities that are a subject of the work product;

(B) constitutes individually identifiable health information as that term is defined in the HIPAA confidentiality regulations;

(C) is presented in a form and manner that allows the identification of an individual who reported information to or by a patient safety evaluation system.

(3) NONIDENTIFIABLE PATIENT SAFETY WORK PRODUCT.—The term ‘nonidentifiable patient safety work product’ means patient safety work product that is not identifiable patient safety work product (as defined in paragraph (2)).

(4) PATIENT SAFETY ORGANIZATION.—The term ‘patient safety organization’ means a private or public entity or component thereof that is listed by the Secretary pursuant to section 924(d).

(5) PATIENT SAFETY ACTIVITIES.—The term ‘patient safety activities’ means the following activities:

(A) Efforts to improve patient safety and the quality of health care delivery;

(B) The collection and analysis of patient safety work product;

(C) The development and dissemination of information with respect to improving patient safety, such as recommendations, protocols, or information regarding best practices;

(D) The utilization of patient safety work product for the purposes of encouraging a culture of safety and of providing feedback and assistance to effectively minimize patient risk;

(E) The maintenance of procedures to preserve confidentiality with respect to patient safety work product;

(F) The provision of appropriate security measures with respect to patient safety work product;

(G) The utilization of qualified staff.

(H) Activities related to the operation of a patient safety evaluation system and to the provision of feedback to participants in a patient safety evaluation system.

(6) PATIENT SAFETY EVALUATION SYSTEM.—The term ‘patient safety evaluation system’ means the collection, management, or analysis of information for reporting to or by a patient safety organization.

(7) PATIENT SAFETY WORK PRODUCT.—(A) In general.—As provided in subparagraph (B), the term ‘patient safety work product’ means any data, reports, records, memoranda, analyses (such as root cause analyses), or written or oral statements—

(i) which—

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

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

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

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

(B) CLARIFICATION.—

(i) Information described in subparagraph (A) does not include a medical record, billing and discharge information, or any other original patient or provider record.

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

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

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

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

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

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

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

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

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

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

SEC. 922. PRIVILEGE AND CONFIDIALITY PROTECTIONS

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

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

(2) disclosed as determined by or pursuant to any Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding;

(3) a determination that such patient safety work product contains evidence of a crime or a violation of Federal, State, or local criminal law;

(4) subject to a Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding, which requires disclosure of such patient safety work product.

(b) DISCLOSURE OF PATIENT SAFETY WORK PRODUCT.—Notwithstanding any other provision of Federal, State, or local law, except as provided in subsection (c), patient safety work product shall not be disclosed unless it is—

(1) subject to a Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding, which requires disclosure of such patient safety work product;

(2) subject to a Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding, which requires disclosure of such patient safety work product to law enforcement authorities; or

(3) subject to a Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding, which requires disclosure of such patient safety work product to the extent required to carry out patient safety activities.

(c) EXCEPTIONS.—Except as provided in subsection (b), subsection (a) shall not apply to a request or order for patient safety work product to carry out patient safety activities.

(1) REQUESTS TO PROVIDERS.—Subsection (a) shall not apply to—

(A) disclosure of patient safety work product for use in a criminal proceeding, if the request or order for such use is made in camera and the provider makes an in camera determination that such patient safety work product contains evidence of a crime or a violation of Federal, State, or local criminal law; and

(B) disclosure of identifiable patient safety work product if authorized by each provider directly affected by the request or order for such use.

(2) EXCEPTIONS FROM CONFESSION.—Subsections (a) and (b) shall not apply to—

(A) disclosure of patient safety work product to a provider to carry out patient safety activities;

(B) disclosure of an identifiable patient safety work product to the extent required to carry out patient safety activities.

(3) EXCEPTION FROM PRIVILEGE.—Subsection (a) shall not apply to a request or order for patient safety work product to—

(A) disclose patient safety work product to law enforcement authorities relating to the commission of a crime (or an event reasonably believed to be a crime) if the provider reasonably believes, under the circumstances, that the patient safety work product that is disclosed is necessary for criminal law enforcement purposes;

(B) With respect to a person other than a patient safety organization, the disclosure of patient safety work product that does not include material that—

(i) assess the quality of care of an identifiable provider; or

(ii) describe a concept that one or more actions or failures to act by an identifiable provider;

(C) disclosure of nonidentifiable patient safety work product to the extent required to carry out patient safety activities.

(d) CONFIDENTIALITY OF NONIDENTIFIABLE PATIENT SAFETY WORK PRODUCT.—(1) IN GENERAL.—Patient safety work product that is disclosed under subsection (c) shall be confidential and shall not be disclosed unless it is—

(A) subject to a Federal, State, or local law, order, or rule, including any subpoena, judicial order, or other request for information issued by a court or other tribunal or judicial proceeding, administrative enforcement proceeding, civil action, or other proceeding, which requires disclosure of such patient safety work product;

(B) identified in such work product.

(2) NONAPPLICATION.—The limitation contained in clause (1) shall not apply to—

(A) use of patient safety work product in accordance with the HIPAA confidentiality regulations; or

(B) use of such work product for the purpose of conducting research.

(e) REPORTER PROTECTION.—(1) IN GENERAL.—A provider may not take adverse employment action, as described in subsection (d), against a reporter or an individual who is a reporter or who has a basis for believing that such provider or individual disclosed such information to—

(A) the provider with the intention of having the information reported to a patient safety organization; or

(B) directly to a patient safety organization; or

(2) ADVERSE EMPLOYMENT ACTION.—For purposes of this subsection, an ‘adverse employment action’ includes—

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

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

(f) PENALTIES.—(1) IN GENERAL.—Subject to paragraphs (2) and (3), a person who discloses identifiable patient safety work product in knowing or reckless violation of subsection (b) shall be subject to a civil monetary penalty for each act constituting such violation.

(2) PROCEDURE.—The provisions of section 1128A of the Social Security Act, other than subsections (b) and (c), of section 264 of the Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note) for a single act or omission shall apply to a person other than a patient safety organization.

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

(g) EQUITABLE RELIEF.—(1) IN GENERAL.—Without limiting remedies available to other parties, a civil action may be brought by any aggrieved individual to enjoin any act or practice that violates subsection (e) and to obtain other appropriate equitable relief (including reinstatement, back pay, and restoration of benefits) to redress such violation.

(2) AGAINST STATE EMPLOYEES.—An entity that is a State or an agency of a State government may not assert the privilege described in subsection (b) to prevent disclosure of information to—

(A) an attorney, in the State or agency of the State government, in connection with any civil action; or

(B) the State or agency of the State government, in connection with a criminal proceeding or other proceeding if the information is—

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

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

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

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

(iii) as preempting or otherwise affecting any law providing a provider to report information that is not patient safety work product; or
“(6) to limit, alter, or affect any requirement for reporting to the Food and Drug Administration information regarding the safety of a product or activity regulated by the Food and Drug Administration.”

“(b) CLARIFICATION.—Nothing in this part prohibits any person from conducting additional purpose research regarding whether such additional analysis involves issues identical to or similar to those for which information was reported to or assessed by a patient safety organization or a patient safety evaluation system.

“(i) CLARIFICATION OF APPLICATION OF HIPAA CONFIDENTIALITY REGULATIONS TO PATIENT SAFETY ORGANIZATIONS.—For purposes of applying the HIPAA confidentiality regulations—

“(1) patient safety organizations shall be treated as business associates; and

“(2) patient safety activities of such organizations in relation to a provider are deemed to be health care operations (as defined in such regulations) of the provider.

“(j) REPORTS ON STRATEGIES TO IMPROVE PATIENT SAFETY.—

“(1) DRAFT REPORT.—Not later than the date that is 18 months after any network of patient safety databases is operational, the Secretary, in consultation with the Director, shall prepare and submit a draft report on interactive strategies for reducing medical errors and increasing patient safety. The draft report shall include any measure determined appropriate by the Secretary to encourage the appropriate use of such strategies, including use in any federally funded programs. The Secretary shall make the draft report available for public comment and submit the draft report to the Institute of Medicine for review.

“(2) FINAL REPORT.—Not later than 1 year after the date described in paragraph (1), the Secretary shall submit a final report to the Congress.

“SEC. 923. NETWORK OF PATIENT SAFETY DATABASES.—

“(a) IN GENERAL.—The Secretary shall facilitate the creation of, and maintain, a network of patient safety databases that provides an interactive evidence-based management resource for providers, patient safety organizations, and other entities. The network shall have the capacity to accept, aggregate across the network, and analyze nonidentifiable patient safety work product voluntarily reported by patient safety professionals, or other entities.

“The Secretary shall assess the feasibility of providing for a single point of access to the network for qualified researchers for information gathered across the network and, if feasible, provide for implementation.

“(b) DATA STANDARDS.—The Secretary may determine common formats for the reporting to and among the network of patient safety databases maintained under subsection (a) of nonidentifiable patient safety work product, including any criteria for encouraging the use of common and consistent definitions, and a standardized computer interface for the processing of such work product and exchange of such work product, as is practicable, such standards shall be consistent with the administrative simplification provisions of part C of title XI of the Social Security Act.

“(c) USE OF INFORMATION.—Information reported to and among the network of patient safety databases under subsection (a) shall be used to coalesce and report statistics, including trends and patterns of health care errors. The information resulting from such databases shall be made available to the public and included in the annual quality reports prepared under section 923(b)(2).

“SEC. 924. PATIENT SAFETY ORGANIZATION CERTIFICATION AND LISTING.—

“(a) CERTIFICATION.—

“(1) INITIAL CERTIFICATION.—An entity that seeks to be a patient safety organization shall submit an initial certification to the Secretary that the entity—

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

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

“(2) SUBSEQUENT CERTIFICATIONS.—An entity that is a patient safety organization shall submit every 3 years of its initial listing under subsection (d) a subsequent certification to the Secretary that the entity—

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

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

“(b) CRITERIA.—

“(1) IN GENERAL.—The following are criteria for the initial and subsequent certification of an entity as a patient safety organization:

“(A) The mission of the entity are to conduct activities that are to improve patient safety and the quality of health care and includes licensed or certified medical professionals.

“(B) The entity has a reasonably complete list of patients who are members of the entity.

“(C) The entity does not make an unauthorized disclosure under this part of patient safety work product for the purpose of providing direct feedback and assistance to providers to effectuate minimum patient risk.

“(D) The entity is not, and is not a component of, a health insurance issuer (as defined in section 2791(b)).

“(E) The entity shall comply with the criteria described in subsection (c) of such subsection.

“(f) STATUS OF DATA AFTER REMOVAL FROM LISTING.—

“(1) IN GENERAL.—If, after notice of deficiency, an opportunity for a hearing, and a reasonable opportunity for correction, the Secretary determines that a patient safety organization does not meet the certification requirements referred to in paragraph (1)(A), the Secretary shall revoke the entity’s acceptance of such certification or, if the entity’s initial certification does not meet such requirements, the Secretary shall notify the entity that such certification is not accepted and the reasons therefore.

“(2) DISCLOSURES REGARDING RELATIONSHIP TO PROVIDERS.—The Secretary shall not disclose any information that it has obtained in connection with determining whether to accept the entity’s initial certification or any subsequent certification submitted under subsection (a) on the basis on the final determination of the Secretary

“(D) The entity is not, and is not a component of, a health insurance issuer (as defined in section 2791(b))

“(E) The entity shall comply with the criteria described in subsection (c) of such subsection.

“(D) The entity shall notify the Secretary in writing of the revocation within 15 days of the revocation.

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to the patient safety work product or data described in subsection (f)(1) that the patient safety organization received from another entity, such former patient safety organization shall—

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

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

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

SEC. 925. TECHNICAL ASSISTANCE.

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

SEC. 926. SEVERABILITY.

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

(b) AUTHORIZATION OF APPROPRIATIONS.—

Section 544 of the Public Health Service Act (as redesignated by subsection (a)) is amended by adding at the end the following:

"(e) PATIENT SAFETY AND QUALITY IMPROVEMENT.

"The Secretary, acting through the Director, may provide technical assistance to patient safety organizations to achieve an environment where providers are able to discuss errors openly and learn from them. The bill also provides a privilege from disclosing patient safety work product in most court or administrative proceedings.

In addition to enjoying bipartisan support, this bill is also supported by providers and consumer groups. These include the American Medical Association, the American Hospital Association, the American College of Surgeons, and the AARP.

"This new language builds directly on the recommendations made in the report on the gentleman from Florida (Mr. BILIRAKIS), who worked to develop a bipartisan patient safety bill that passed by more than 400 votes in the last Congress.

I also want to recognize Senators Enzi and Kennedy; our ranking member, the gentleman from Michigan (Mr. DINGELL); and the ranking member of the Subcommittee on Health, the gentleman from Ohio (Mr. BROWN), for their leadership in this effort. They, along with the House Committee on Energy and Commerce and the Senate HELP Committee, deserve our thanks for producing this important bipartisan bill.

I also specifically would like to recognize Andrew Patzman and David Bowen from the Senate HELP Committee, along with Bridgett Taylor, Purvee Kempt, Nandan Kenkermath, Melissa Bartlett, and Brandon Clark for their work on this bill. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. BILIRAKIS), the original sponsor of this legislation in the past Congress and one who has continued to work on it.

Mr. Speaker, I thank the gentleman for yielding me this time; and I, too, obviously, support S. 544, which is the exact Senate counterpart to H.R. 3205, the legislation on which I and so many others have worked for several years to reduce medical errors and save lives.

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

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

These patient safety organizations will be empowered to compile reports on errors and near-misses, determine the causes of these errors or near-errors, identify the changes that need to be made to the health care delivery system to prevent errors in the future, and implement needed changes.

Their work will be invaluable in identifying national trends on medical errors and recommending how to prevent them.

The legislation encourages providers to share information about medical mistakes by preventing the information that they have created specifically to report to patient safety organizations from being used against them.

The bill would preclude this information, termed patient safety work product, from being used against providers in civil and administrative proceedings, disclosed pursuant to Freedom of Information Act requests, or used to carry out adverse personnel actions.

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

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

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

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

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

Mr. Speaker, we must acknowledge that any error that causes harm to a patient is one too many. While our health care system may never be perfect, we must strive for the best care possible for our Nation’s patients. I am happy that this legislation begins to improve the ability to connect information about errors and near-errors between doctors, researchers, and patients.

However, as I have stated for years, a key step to improving care should be the passage of meaningful patient protections under Federal law. When insurers and employees are concerned about the cost of health care, the quality of patient care can be jeopardized for the bottom line. This breeds improper care, and it breeds medical error.

In this light, this legislation is an important first step. This bill will encourage the creation of patient safety organizations that will congregate data on patient safety and make that information to a national patient safety database. While I will concede that I wish we were mandating more in this legislation about reporting errors and getting that information to patients, I stress that this is an essential, important first step.

The bill helps develop a culture of safety that encourages information sharing. When an error occurs, it is important to learn from it so as not to repeat that mistake. This bill is comfortable with reporting errors and near errors, and this bill begins to do just that.

This bill presents us with an opportunity to stand up for patients, and I urge all of my colleagues to join us in supporting it.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Rhode Island (Mr. KENNEDY) who has been a strong advocate during his several terms in Congress for patient safety and for patients generally.

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

Of the many bills we are talking about on the floor this week, this is the only one that is really addressing the problem in our health care system. We stand here in the well of the House, all of us from both sides of the aisle, pontificating about the high cost of care, malpractice rates, access to prescription drugs, or the uninsured. All of these are serious problems with big negative impacts on people, but these issues are all symptomatic of a real problem in health care. Our system is not set up to get the right care at the right time to the right people, where Medicare has had a single procedure. That procedure has been done all around the country, and even in the markets where it costs us the most, we often see where we have the worst outcomes. We have to ask ourselves why is it that we are paying more and getting less results? This bill does a lot to address that problem. We need to learn from our mistakes and use them to make better decisions in the future.

This is a bill that is carefully designed to compromise so we do not have a situation where we close down people’s right to seek redress for those that are seriously and grievously injured in the course of their health care. This bill is not the tip of the iceberg in what we will do to transform health care. We need to pass a strong health care information technology bill. This bill was reported out of the committee and I think it will go every way to getting us on that road, but I hope that we continue in this legislative session to move us even further, where we begin as a country to make our health care system come up to the same level of technology as every other area in our country is right now.

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

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

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

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

S. 544, the Senate companion bill to H.R. 3205, contains the same language as the House bill approved unanimously by the Committee on Energy and Commerce last week. The goal of H.R. 3205 is to set up a system for reporting errors for medical care providers that brings real improvements in patient safety and the quality of health care. It will also help ensure accountability by raising standards and creating the expectation for continuous quality improvements in patient safety. This bill achieves these goals by creating a helpful and non-punitive atmosphere for health care professionals to be open and communicate with the entities specialized in patient safety and quality improvement. Yet, it continues to allow public access to information that is available today. Patient safety organizations will receive information about medical errors and then evaluate trends, such as infection rates and other quality measures, within provider organizations. This will help providers learn to avoid such errors in the future.

It is an excellent and important legislation, and I urge its adoption.

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

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

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

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

It would be my hope—and good public policy—that officials at the Department of Health and Human Services work with Adventist Health officers and solicit their guidance. This guidance would be based on the experiences of a half a decade of success and challenges. I am proud of what Adventist Health is accomplishing in California. I look forward working with Secretary Leavitt and the Department of Health and Human Services to assist in the implementation of Health Information Technology on a national level.

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

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

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

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The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

**DRUG ADDICTION TREATMENT EXPANSION ACT**

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

The Clerk read as follows:

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

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

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

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

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

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

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

**GENERAL LEAVE**

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

The SPEAKER pro tempore. There was no objection.

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

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

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

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

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

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

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

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

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

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

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

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

This bill will expand access to effective addiction treatment. When we come together to fight addiction, we must use every means available. This bill gives doctors an improved and important tool.

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

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

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

Mr. Speaker, we can work for interdiction. We can work for eradication. We can work for rehabilitation. We can work for enforcement. We can work to keep it from moving down in Colombia and Afghanistan. We can work to try to seize it as it moves through the Caribbean and through the Pacific. We can work to try to catch it at the borders. We can try to take down the delivery trucks.

We will continue to do that. We will continue to work through our national ad campaign, through school programs to try to prevent drug use. But ultimately many people in America become addicted. The question is, How can we treat them? As has already been explained, this was an unintended consequence of the original act. I appreciate Senator LEVIN’s help on the Senate side in moving this bill that group practices were capped at 30 patients as we speak.

Between 1997 and 2000, the number of treatment admissions for primary heroin abuse increased 21 percent while treatment admissions for primary abuse of narcotic painkillers increased by an unprecedented 37 percent. In view of the skyrocketing numbers of treatment admissions for primary opiate addiction in recent years, it is imperative that measures be taken at the Federal level to provide adequate treatment options. This epidemic of drug abuse in America, drug addiction treatment programs must effectively correspond to the widespread nature of this problem. In order to expand drug treatment programs, please support this bill, the Drug Addiction Treatment Expansion Act, which will remove the 30-patient limit currently imposed on group practices.

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

There are 49 different, well-respected drug treatment organizations that support this bill; including the American Medical Association, the National Association of State Alcohol and Drug Abuse Directors, the American Psychiatric Association, the American Psychological Association, the Association of American Medical Colleges, the Alliance of Community Health Plans, and the American Medical Group Association.

And then in addition to all these medical groups, there are essentially all the major anti-drug groups in America, including the Partnership for a Drug-Free America, the Community Anti-Drug Coalitions of America, Drug-Free America, the Schools Coalition, Drug-Free America
Mr. Speaker, I rise today in support of S. 45, which amends the Controlled Substances Act to lift the patient limit of 30 patients per prescriber on buprenorphine and other medications, thereby expanding access to treatment for patients suffering from opioid addiction.

Buprenorphine is a medication that prevents withdrawal symptoms without creating dependence. It is less potent than other opiates and can be prescribed to patients on a group basis, thereby increasing access to treatment for those who need it most.

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

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

I urge my colleagues to support S. 45. This is an important piece of legislation. Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.
Mr. DEAL of Georgia. Mr. Speaker, I would simply urge my colleagues to support this legislation.

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

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

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DEAL of Georgia. Mr. Speaker, on that, I demand the yeas and nays. The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

NATIONAL ALL SCHEDULES PRESCRIPTION ELECTRONIC REPORTING ACT OF 2005

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

The Clerk read as follows:

H.R. 1132

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

SECTION 1. SHORT TITLE.

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

SEC. 2. PURPOSE.

It is the purpose of this Act to—

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

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

SEC. 3. CONTROLLED SUBSTANCE MONITORING PROGRAMS.

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

"SEC. 399O. CONTROLLED SUBSTANCE MONITORING PROGRAM.

"(a) GRANTS.—

"(1) IN GENERAL.—Each fiscal year, the Secretary shall award a grant to each State with an application approved under this section to enable the State—

"(A) to establish and implement a State controlled substance monitoring program; or

"(B) to make improvements to an existing State controlled substance monitoring program.

"(2) DETERMINATION OF AMOUNT.—

"(A) MINIMUM AMOUNT.—In making payments under a grant under paragraph (1) for a fiscal year, the Secretary shall allocate to each State with an application approved under this section an amount that equals 0.1 percent of the amount appropriated to carry out this section for that fiscal year.

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

"(2) DEVELOPMENT OF MINIMUM REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall develop minimum requirements for the establishment of a controlled substance monitoring program.

"(B) ADDITIONAL AMOUNTS.—

"(1) The Secretary shall award under this section an additional amount to each State with an application approved under this section as determined by the Secretary, except that the Secretary may adjust the amount allocated to a State under this subparagraph after taking into consideration the budget cost estimate for the State’s controlled substance monitoring program.

"(3) NATIONAL ALL SCHEDULES PRESCRIPTION MONITORING PROGRAM.

"(A) In general.—The Secretary may establish a national all schedules prescription monitoring program.

"(B) Development of minimum requirements.—

"(i) In general.—The Secretary shall develop minimum requirements for the establishment of a controlled substance monitoring program.

"(ii) Adoption of uniform format.—The Secretary shall, after publication of the national all schedules prescription monitoring program, adopt a uniform format for each State for the controlled substance monitoring program.

"(3) Term of grants.

"(a) In general.—

"(1) Grants awarded under this section shall be obligated in the year in which funds are allotted.

"(B) Development of minimum requirements.—The amounts appropriated under this section, and not later than 6 months after the date on which funds are first appropriated to carry out this section, the Secretary shall submit to Congress a report detailing the criteria for availability of information and procedures to ensure that information in such program is available to law enforcement and other parties, the Secretary shall, after publishing in the Federal Register proposed minimum requirements, receive comments from public, establish minimum requirements for criteria to be used by States for purposes of clauses (ii), (vi), and (vii) of subsection (c)(1)(A).

"(4) APPLICATION APPROVAL PROCESS.—

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

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

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

"(ii) criteria for availability of the information handling for the database maintained by the State under subsection (e) generally including efforts to use appropriate encryption to protect the security of such information; and

"(iii) an agreement to adopt health information interoperability standards, including health vocabulary standards, that are consistent with any such standards generated or identified by the Secretary or his or her designee;

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

"(i) a plan for ensuring that the State controlled substance monitoring program in the State is interoperable with the national all schedules prescription monitoring program.

"(2) APPLICATION APPROVAL PROCESS.—

"(a) Plan for ensuring interoperability.—If the State submits an application under paragraph (1), the Secretary shall, after publication in the Federal Register of the proposed minimum requirements, receive comments from public and establish minimum requirements for the national all schedules prescription monitoring program.

"(b) Criteria for granting a grant under paragraph (1).—

"(i) IN GENERAL.—The Secretary shall establish criteria for the national all schedules prescription monitoring program.

"(ii) Criteria for securing the program and the database.—

"(A) In general.—The Secretary shall establish criteria for securing the national all schedules prescription monitoring program.

"(B) Criteria for ensuring interoperability between programs.—

"(3) Amounts appropriated to carry out this section for each fiscal year shall be obligated in the year in which funds are allotted.

"(4) Federal involvement.—The Secretary shall ensure that the national all schedules prescription monitoring program includes the following:

"(A) A system for securing the national all schedules prescription monitoring program;

"(B) A system for ensuring the national all schedules prescription monitoring program is interoperable with the controlled substance monitoring programs of such States.

"(4) AMOUNT ALLOCATED TO EACH STATE.

"(a) Amounts allocated to States.

"(1) That bears the same ratio to the amount appropriated to carry out this section for that fiscal year an additional amount to each State with an application approved under this section an additional amount to each State with an application approved under this section shall be obligated in the year in which funds are allotted.

"(2) DISTRIBUTION TO STATES.

"(A) IN GENERAL.—The Secretary shall award the amount allocated to each State as provided in subsection (a)(1)."
other exclusion identified by the Secretary for purposes of this paragraph.

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

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

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

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

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

(E) Quantity dispensed.

(F) Number of refills ordered.

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

(H) Date of the dispensing.

(1) Date of origin of the prescription.

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

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

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

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

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

(3) The State shall include reported information in the database in a manner consistent with criteria established by the Secretary, to ensure the integrity and access to the database.

(4) The State shall take appropriate security controls to protect the integrity of, and access to, the database.

(f) USE AND DISCLOSURE OF INFORMATION.—

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

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

(B) any local, State, or Federal law enforcement, narcotics control, licensure, disciplinary, or program authority, who certifies, under the procedures determined by the Secretary, that the requested information is related to an individual investigation or proceeding involving the unlawful diversion or misuse of a schedule II, III, or IV substance, and such information will further the purpose of the investigation or assist in the proceeding;

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

(D) any local, State, or Federal health department, a State Medicaid program, a State medical program, or the Drug Enforcement Administration who certifies that the requested information is necessary for research to be conducted by such department, program, or administration, respectively, and the intended purpose of the research is related to policy issues committed to such department, program, or administration by law that is not investigative in nature; or

(E) an agent of the State agency or entity of another State that is responsible for the establishment and maintenance of that State’s controlled substance monitoring program, who certifies that—

(i) the State has an application approved under this section; and

(ii) the requested information is for the purpose of implementing the State’s controlled substance monitoring program under this section.

(2) DRUG DIVERSION.—In consultation with practitioners, dispensers, and other relevant and interested stakeholders, a State receiving a grant under subsection (a) shall—

(A) establish and maintain a program to notify practitioners and dispensers of information that will help identify and prevent the unlawful diversion or misuse of controlled substances;

(B) may, to the extent permitted under State law, notify the appropriate authorities responsible for carrying out drug diversion investigations if the State determines that information in the database maintained by the State under subsection (e) indicates an unlawful diversion or abuse of a controlled substance.

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

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

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

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

(i) RULES OF CONSTRUCTION.—

(1) FUNCTIONS OTHERWISE AUTHORIZED BY LAW.—Nothing in this section shall be construed to restrict the ability of any authority, including any local, State, or Federal law enforcement, narcotics control, licensure, disciplinary, or program authority, to perform functions otherwise authorized by law.

(2) NO PREEMPTION.—Nothing in this section shall be construed to preempt any State law, except that no such law may relieve any person of a requirement otherwise applicable under this Act.

(3) ADDITIONAL PRIVACY PROTECTIONS.—Nothing in this section shall be construed as preempting any State law from imposing any additional privacy protections.

(4) FEDERAL PRIVACY REQUIREMENTS.—Nothing in this section shall be construed to supersede any Federal privacy or confidentiality requirement, including the regulations promulgated under section 265(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191; 110 Stat. 2033) and section 545 of the Public Health Service Act.

(5) NO FEDERAL PRIVATE CAUSE OF ACTION.—Nothing in this section shall be construed to create a Federal private cause of action.

(j) STUDIES AND REPORTS.—

(1) IMPLEMENTATION REPORT.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary, based on a review of existing State controlled substance monitoring programs and other relevant information, shall determine whether implementation of such programs has had a substantial negative impact on—

(i) patient access to treatment, including therapy for pain or controlled substance abuse;

(ii) pediatric patient access to treatment; or

(iii) patient enrollment in research or clinical trials in which, following the protocol that has been approved by the relevant institutional review board for the research or clinical trial, the patient has obtained a controlled substance from either the scientific investigator conducting such research or clinical trial or the agent thereof.

(B) ADDITIONAL CATEGORIES OF EXCLUSION.—If the Secretary determines under subparagraph (A) that a substantial negative impact has been demonstrated with regard to any or more of the categories described in such subparagraph, the Secretary shall identify additional appropriate categories of exclusion as authorizing under subsection (d)(2)(C).

(2) PROGRESS REPORT.—Not later than 3 years after the date on which funds are first appropriated under this section, the Secretary shall—

(A) complete a study that—

(i) determines the progress of States in establishing and implementing controlled substance monitoring programs under this section;

(ii) provides an analysis of the extent to which the operation of controlled substance monitoring programs have reduced inappropriate use, abuse, or diversion of controlled substances or affected patient access to appropriate pain care in States operating such programs;

(iii) determines the progress of States in achieving interoperability between controlled substance monitoring programs, including an assessment of technical and legal barriers to such activities and recommendations for addressing these barriers;

(iv) determines the costs associated with establishing a real-time electronic controlled substance monitoring program, including the costs associated with establishing such a program;

(v) provides an analysis of the privacy protections in place for the information reported to the controlled substance monitoring program in each State receiving a grant for the establishment or operation of such program, and any recommendations for additional requirements for protection of the information;

(vi) determines the feasibility of implementing a real-time electronic controlled substance monitoring program, including the costs associated with establishing such a program; and

(vii) evaluates the penalties that States have enacted for the unauthorized use and disclosure of information maintained in the controlled substance monitoring programs, and reports on the criteria used by the Secretary to determine whether such penalties qualify as appropriate pursuant to this section.

(B) submit a report to the Congress on the results of the study.
The legislation creates grants to establish State-run programs for prescription monitoring that will be administered and coordinated at the Federal level. Over 20 States currently have such a program in place or are working to develop one. Fighting prescription drug abuse is a difficult problem, and preventing non-medical use is a difficult problem that requires doctors and law enforcement authorities to acquire and share information. For this reason, groups like the American Medical Association and health care providers all support this legislation.

I would like to thank the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from Georgia (Mr. NORWOOD), the gentleman from New Jersey (Mr. PALLONE), and the gentleman from Ohio (Mr. STRICKLAND), members of the Energy and Commerce Committee, for their efforts on this bill.

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

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

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

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

Prescription pain relievers, stimulants, and other controlled substances play a crucial role in health care; but when misused, these same medicines can be enormously destructive. Some are addictive. Some are life-threatening. Many are prescription medications for nonmedicinal purposes.

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

The legislation creates grants to establish State-run programs for prescription monitoring that will be administered and coordinated at the Federal level. Over 20 States currently have such a program in place or are working to develop one. Fighting prescription drug abuse is a difficult problem, and preventing non-medical use is a difficult problem that requires doctors and law enforcement authorities to acquire and share information. For this reason, groups like the American Medical Association and health care providers all support this legislation.

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

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

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

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

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

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

Mr. Speaker, prescription drug abuse in this country is a serious problem. I know it. I have seen it. It is a subject which I have some experience. I experienced it firsthand after a car wreck, I feel strongly that we do not do a good enough job in this country to alleviate pain, and morally and ethically we should. But if we do not deal with this misuse of prescription drugs, we are going to have less pain relief than more.

I also know that the drugs that relieve the most severe pain can always, almost always, be the most dangerous. They can create a dependency. They can be diverted by the abusers. We have a very hard time finding a way to fight drug abuse without in any way dampening the ability of doctors to treat their patients in severe pain.

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

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

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

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

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

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

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

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

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. BROWN), the gentleman from Michigan (Mr. STUPAK), on the Committee on Energy and Commerce.

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

Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from New Jersey (Mr. PALLONE), the gentleman from Ohio (Mr. STRICKLAND), the gentleman from Ohio (Mr. BROWN), and the gentleman from Georgia (Mr. NORWOOD) for their leadership on this issue. I would also like to recognize the valuable input of the stakeholders, including the States and physician groups, including the American Society of Interventional Pain Physicians.

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

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

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

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

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

To conclude, Mr. Speaker, this is a good bill. NASPER is more necessary than ever, and now is the time for Congress to pass it and for President Bush to sign it.
the opportunity to combat this problem not only with children but also with adults around the country. I would also mention that, and I think someone has already referred to this, that 20 States are already operating controlled substance databases. In response to this legislation we establish a grant program at HHS, but more important than that, we provide some Federal standards on this program with this legislation today. In doing that, we will help foster standardization, and establishing uniform standards on information collection and privacy protections that together will make it easier for States to share information.

I think it is also important to note that the Committee on Appropriations has already been appropriating money for these types of programs. So with this legislation, the Committee on Energy and Commerce, which has exclusive jurisdiction in this area, we now set the guidelines for this, and I think it will do a tremendous job of improving this program and improving our health care program and giving doctors more information to better treat their patients.

I want to thank the gentleman from Texas (Chairman Barton) for his leadership, the gentleman from Georgia (Chairman Deal) for his leadership, and, of course, the gentleman from Georgia (Mr. Norwood). We have all been working on this program for 3 years. The gentleman from New Jersey (Mr. Pallone) has been involved in it for 3 years, the gentleman from Ohio (Mr. Strickland), the gentleman from Ohio (Mr. Brown). So it truly is a bipartisan effort. It is going to do a tremendous job in improving our health care program. And I would urge every Member of Congress to support this important legislation.

And I want to thank particularly Ryan Long, one of the staffs who has worked on this; John Ford of the minority staff; and my personal staff person John Halliwell; and the many others who have worked on this, including Wathan Burke, who actually wrote the legislation over at the legislative counsel's office.

So after 3 years, I think we are getting ready to move this bill. We know that the Senate is going to take it up in its entirety. And so we look forward to President Bush signing this legislation and improving our health care system.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. Pallone), a member of the Health Subcommittee.

Mr. PALLONE. Mr. Speaker, I thank the gentleman from Ohio (Mr. Brown) foryielding me 3 minutes.

I rise in strong support of the National All Schedules Prescription Electronic Reporting Act, or NASPER, legislation which has been mentioned that the gentleman from Kentucky (Mr. Whitfield), the gentleman from Georgia (Mr. Norwood), and the gentleman from Ohio (Mr. Strickland).

This critical legislation provides an avenue for addressing the illegal diversion and misuse of prescription drugs. Prescription drug abuse constitutes one of the fastest growing areas of drug abuse in our Nation today, affecting people of all areas of our Nation, all ages, and all income levels.

Health care practitioners and pharmacists desperately need electronic prescription drug monitoring systems to ensure that they are only prescribing and dispensing schedule II, III, and IV controlled substances that are medically necessary. This bill provides the resources to States to create and operate State-based drug monitoring programs, allows physicians to access this information, and allows for States to communicate with one another. NASPER would help physicians prevent their patients from becoming addicted to prescription medications and would help law enforcement with criminal investigations in the illicit prescription drug trade.

NASPER legislation represents a work of great bipartisan and bicameral effort, and I want to thank the gentleman from Kentucky (Mr. Whitfield), the gentleman from Georgia (Mr. Norwood), and the many others from Ohio (Mr. Strickland), obviously the gentleman from Ohio (Mr. Brown). And I also want to mention my staff person who is no longer with me, Kathy Kulkarni, but worked very hard on this legislation.

In the other body, Senator Sessions, Senator Kennedy, and Senator Durbin, all of these people have been willing to move forward with this effort both here in the House, and it will be taken up in the Senate to alleviate the prescription drug abuse problem plaguing our Nation.

In addition, I applaud the tremendous leadership of the American Society for Interventional Pain Physicians for working with this significant public health initiative.

Mr. Speaker, I hope my colleagues will join me in supporting this critical measure to help our health care providers begin to stem the burgeoning problems of prescription drug abuse.

Mr. MARKEY. Mr. Speaker, I rise to express my strong concerns about the lack of adequate patient privacy protections in H.R. 1132—the National All Schedules Prescription Electronic Reporting, NASPER, Act of 2005.

H.R. 1132 is intended to support States' efforts to prevent the abuse of certain controlled substances through the provision of Federal grants to the States for the purpose of establishing and implementing controlled substance monitoring programs. States would use the grants to develop and maintain an electronic database containing information about the type of medication prescribed, quantity dispensed, number of refills, and similar product information. The database also would collect personal information about each patient receiving prescriptions of the covered controlled substances, such as the patient's name, address and telephone number.

The abuse of controlled substances such as oxycodone and amphetamines is a serious problem that plagues our Nation. In response to the seriousness of the problem of prescription drug abuse, more than 20 States, including Massachusetts, have taken steps to prevent such abuse through the establishment of reporting requirements on pharmacists and the creation of drug monitoring databases similar to those contemplated by H.R. 1132. In Massachusetts, for example, pharmacies are required to report the prescriptions they fill for substances in Schedules I and II to the State's department of Public Health.

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

For example, H.R. 1132 permits disclosure of individually-identifiable patient information in the database to a wide range of professionals in addition to practitioners and law enforcement personnel, including any local, State or Federal “narcotics control, licensure, disciplinary, or program authority.” The legislation provides that States may allow access to the information in the database to a wide range of professionals—law enforcement personnel, including any local, State or Federal “narcotics control, licensure, disciplinary, or program authority.” The legislation provides that States may allow access to the information in the database to a wide range of professionals—law enforcement personnel, including any local, State or Federal “narcotics control, licensure, disciplinary, or program authority.”

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

While I strongly support efforts to prevent the abuse of controlled substances, H.R. 1132 does not contain sufficient guidance to the states on the level of privacy protections that they must provide in the creation and maintenance of the databases authorized under the legislation. Since that breach of 145,000 personal records form the databases of data provider ChoicePoint in February 2005, 50 million records with private information have been leaked from public companies, hospitals, universities and other organizations. Without clear protections for the personal information of all individuals, it becomes all too easy to envision a scenario where the information contained in these databases becomes increasingly vulnerable to unauthorized access and use.

In conclusion, I urge the passage of my amendment to incorporate a fundamental privacy protection in the bill.
supported by the American Conservative Union, the American Psychoanalytic Association, the American Psychiatric Association, the American Association of Practicing Psychiatrists and the Massachusetts Medical Society.

While my amendment would have simply required patient notification if their information in these databases was lost, stolen or used for an unauthorized purpose, it was defeated.

Without such fundamental protections for patients, this bill is not worthy of support. This bill—which is opposed by a broad, bipartisan coalition—does not belong on the suspension calendar, where it is not subject to amendment.

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

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

Mr. DEAL of Georgia. Mr. Speaker, I urge the adoption of this bill. I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and pass the bill, H.R. 1132, as amended.

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

A motion to reconsider was laid on the table.

ENCOURAGING TRANSITIONAL NATIONAL ASSEMBLY OF IRAQ TO ADOPT A CONSTITUTION GRANTING WOMEN EQUAL RIGHTS

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H.Res. 393) encouraging the Transitional National Assembly of Iraq to adopt a constitution that grants women equal rights under the law and to work to protect such rights.

The Clerk read as follows:

H. Res. 393

Whereas the regime of Saddam Hussein in Iraq systematically violated the human rights and fundamental freedoms of the Iraqi people;

Whereas on April 9, 2003, the United States and coalition forces brought an end to the brutal regime of Saddam Hussein; and

Whereas on June 28, 2004, an Iraqi interim government was sworn in after sovereignty was restored;

Whereas in Iraq's January 2005 parliamentary elections, more than 2,000 women ran for office and currently 31 percent of the seats in Iraq's National Assembly are occupied by women;

Whereas women lead the Iraqi ministries of Displacement and Migration, Telecommunications, Municipalities and Public Works, Environment, Science and Technology, and Women's Affairs;

Whereas United States Government-sponsored programs are helping Iraqi women develop in multiple areas from literacy, computer and vocational training, to human rights and conflict resolution training;

Whereas through grants funded by the United States Government's Iraq Women's Democracy Initiative, nongovernmental organizations are providing training in political leadership, communications, coalition-building skills, voter education, constitution drafting, legal reform, and the legislative process;

Whereas a 275-member Transitional National Assembly, which is charged with the responsibility to draft an Iraqi constitution, was elected to serve as Iraq's national legislature for a transition period.

Whereas Article 12 of Iraq's Transitional Administrative Law further states that "[a]ll Iraqis [are] equal in their rights without regard to gender . . . and they are equal before the law.

Whereas Article 12 of the Transitional Administrative Law further states that "[d]iscrimination against an Iraqi citizen on the basis of his gender . . . is prohibited";

Whereas on May 10, 2005, Iraq's National Assembly appointed a 55-member committee, composed of Assembly members, to begin drafting a permanent constitution for Iraq.

Whereas in visits with legislators and officials of the Government of the United States, Iraqi women have raised perceived limitations on their rights in a current draft of the Iraqi constitution;

Whereas the central principles of a true democracy, "liberty and justice for all", "equality under law", and "government of the people, by the people and for the people" apply equally to women;

Whereas, in the words of Supreme Court Justice Sandra Day O'Connor: "[s]ociety as a whole benefits immeasurably from a climate in which all persons, regardless of race or gender, may have the opportunity to earn respect, responsibility, advancement and renumeration based on ability . . . and not on the basis of his gender . . . is prohibited";

Whereas the House of Representatives recognizes the commitment and dedication of the United States to ensure that the full rights of women are granted in the Iraqi constitution;

Whereas the House of Representatives recognizes the need to affirm the spirit and free the energies of women in Iraq who have spent countless hours, years, and lifetimes working for the basic human right of equal constitutional protection; and

Whereas the House of Representatives recognizes the risks Iraqi women have faced in working for the future of their country and admire their continued commitment to democracy: Now, therefore, be it

Resolved, That the House of Representatives—

(1) commends United States and coalition forces in liberating people from the repressive regime of Saddam Hussein and their ongoing efforts in support of the freedom and stability of Iraq;

(2) recognizes the progress achieved by the Iraqi people toward the establishment of a representative democratic government;

(3) recognizes the importance of ensuring women in the full realization of equal rights under the law and in society;

(4) recognizes the commitment and dedication of the Administration to ensuring the full rights of women are granted in the Iraqi constitution;

(5) strongly encourages Iraq's Transitional National Assembly to adopt a constitution that grants women equal rights under the law and to work to protect such rights; and

(6) pledges to support the efforts of Iraqi women to fully participate in a democratic Iraq.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Ms. ROS-LEHTINEN) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Ms. ROS-LEHTINEN).
Recently we saw the fruits of our efforts as countless Iraqi women went to the polls to have their voices heard. The resolution that we are considering here today, Mr. Speaker, highlights the many advances of the status of women in Iraq since Saddam's deposition, and particularly the fact that women today lead the Iraqi Ministries of Displacement and Migration, Telecommunications, Municipalities and Public Works, Environment, Science and Technology, and Women's Affairs.

However, as with every incipient democracy, particularly in a country that does not have a history of democratic governance to pull from or a regional basis of cooperation or comparison, much more needs to be done. It is, therefore, important for the United States Congress to express support for the Iraqi constitutional process and share the wisdom of our own experience by underscoring the importance of securing equal rights for women in Iraq, and of rights for the overall constitutional framework.

This resolution does just that, Mr. Speaker, and I thank my colleagues, the gentleman from Texas (Ms. Granger) for introducing this important resolution on behalf of our colleagues who have worked on this, and I highlight the assistance of the gentleman from Illinois (Chairman Hyde), the gentleman from California (Ranking Member Lantos), and the leadership of Mr. Chairman.

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

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

Mr. Speaker, I first would like to congratulate and commend my good friend, the gentlewoman from Texas (Ms. Granger), our distinguished colleague, for introducing this important resolution. I also want to commend my good friend, the chairman of our Subcommittee on the Middle East, the gentlewoman from Florida (Ms. Ros-Lehtinen), my good friend, for assisting in this very important debate on the Republican side.

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

While the Iraqi people must decide the proper role of religion in their society, we have been disturbed to hear reports that some are proposing that Iraqi law would be governed by the Islamic religious code. A country, Mr. Speaker, can be religious, yet reflect international accepted norms.

When the new Afghan Constitution was adopted, although it is far from perfect from a Western perspective, it does prohibit discrimination against any citizen of Afghanistan, including, of course, women. The Afghan Constitution provides that women and men have equal rights before the law. The Afghan Constitution also endorses Afghanistan's international obligations, that is, its promise to guarantee its women's rights under uniform international standards, all this, Mr. Speaker, in a country that is dramatically more conservative than Iraq.

Now, fortunately, drafts of constitutions are not final text, and I have every faith that the Iraqi people will allow good sense to prevail on this issue before the final text is submitted 2 weeks from now.

Similar issues arose about the role of religion during the drafting of the Transitional Administrative Law in Iraq last year. There was, for example, considerable concern about the prospect that Islamic law would be enshrined as the primary source of Iraq's legislation. Happily, however, heads prevailed, and the Transitional Administrative Law which emerged was balanced and liberal in its nature.

In fact, as the resolution offered by our colleagues from Texas (Ms. Granger), points out, the Transitional Administrative Law contains an article ensuring Iraq's equal rights, prohibiting discrimination, without regard to gender. I have faith that Iraq's Founding Fathers and Founding Mothers next month will affirm that wisdom from the Transitional Administrative Law.

But I think it is important, Mr. Speaker, that our House of Representatives, speaking on behalf of the American people, affirm that wisdom as well. It is crucial that all Iraqis know that our commitment to their freedom and equality is unwavering and unqualified by religion, race, and gender.

That is why I support, Mr. Speaker, this resolution very strongly. I urge all of my colleagues to do likewise.

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

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 7 minutes to the gentlewoman from Texas (Ms. Granger), the author of this resolution.

Mr. Speaker, I have often had the opportunity to speak on this floor on important issues, but none more important than this, because today I am honored to sponsor this resolution in support of the rights of all Iraqis.

It has been said that a nation reveals its character by the values it upholds. In planting the seed of democracy in the deserts of the Middle East, the United States and our allies hope for a rich harvest of freedom for the people of Iraq. Having removed the dictator, the allies have moved to put Iraqis in control of Iraq. Now, as they draft and ratify their Constitution, we will indeed see the character of a new Iraqi nation revealed through the principles it chooses to uphold.

That is why I urge the Iraqi Transitional National Assembly to create a government worthy of its people, a government that represents every Iraqi from every corner of Iraq, be they Sunni or Shia, rich or poor, male or female.

Human rights are not a privilege granted by the few to the many. They are inherent entitlements of all, and human rights, by definition, include the rights of all humans, those in the dawn of life, the dusk of life, or the shadows of life.

Mr. Speaker, the women of Iraq have waited long enough. Having lived in the shadows of Saddam's Iraq, they are eager for the sunlight of a new nation and a new way of life. I have met these women, and I have felt their courage. I have spoken to them, and, more important, I have listened to them. I have heard more than their words, I have heard their dreams; dreams of a peaceful nation where they can raise their children and make decisions on their own and take part in society.

Mr. Speaker, a free nation must be based on human rights. Just as our Founding Fathers built a new Republic based on life, liberty, and the pursuit of happiness, so, too, the Iraqi nation must choose to uphold the values of human rights for all. Indeed, most Iraqis seem to want this.

In the run-up to the historic January 30 election, Iraqis insisted that every third name on the ballot had to be that of a woman. The result? Upon election, 31 percent of the Transitional National Assembly's membership was female, nearly double the membership of the U.S. Congress.

By any definition, this would be quite an achievement. But to understand where Iraq's women are, consider where they have been. To know the horrors of Saddam, look at how Saddam treated the most vulnerable. In Saddam's Iraq, women were abused and assaulted, beaten and battered, raped and relegated to second-class citizens. In Saddam's Iraq, women could not own property; they were property.

Truly, Saddam Hussein was a criminal crying out for international intervention. And these are people, the Iraqi women, crying out for freedom.

History will record that Saddam got what he deserved. The question is, will Iraqi women get what they deserve, what they have earned, what they demand?

When I met with 20 of these women just weeks before the January election, they explained that because they were women, they were virtual targets of the people trying to stop the elections, because they were running for office. More than half had had members of their families kidnapped or assassinated. Almost all had had bodyguards. Many had been in exile for years because of their beliefs, their education, and their choice to have a career. Yet they persevered.

They persevered because they knew their elections were proof that freedom works, and they persevered because they knew that the more women elected, the less the chance of a Saddam-
style policy toward women would ever again come to Iraq.

Mr. LANTOS. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Mrs. TAUSCHER), my good friend and distinguished colleague, coauthor of this resolution.

Mrs. TAUSCHER. Mr. Speaker, I rise to voice my deep concern over the rights of women in Iraq and urge adoption of this resolution. I am very concerned today as I was recently in the state of Texas talking about thegentlewoman from Texas (Ms. GRANGER) and the gentleman from Nebraska (Mr. OSBORNE) who are my cochairs in the Iraqi Women's Caucus.

I know they share my unwavering commitment to see the success of our efforts to stabilize Iraq. As we speak, the Iraqi Constitution is being drafted, and preliminary drafts are being circulated around Baghdad and in the United States. This is the real test of our efforts to bring democracy and stability to Iraq. My colleagues and I have spent countless hours in Iraq, in Jordan prior to the January 30 election, meeting with women candidates, and here in Washington meeting with some of the winners of Iraqi women whose rights are now apparently under attack from extremists in their own country.

The attempts by fundamentalists to insert Sharia, a restrictive form of Islamic law, into the constitution, represent an aggressive and intolerable assault on women's rights. The current transitional administrative law states that Islam is to be considered a source of legislation, but not the only source, and that discrimination against an Iraqi citizen of gender is prohibited. But current drafts of the new constitution would allow legislation to be based on religious law. Sharia, therefore, might unfairly discriminate against women. We know that a lack of respect for women's rights in the constitution would safeguard women in Iraq today and for generations to come, but we fear that extremist elements might prevent the passage of such a constitutional protection.

And we note that the surest way to limit the future and the progress of Iraq is to limit the rights and protections of women. But we fear that women may not be allowed even basic rights on matters of marriage, divorce, economic opportunity, or political involvement.

Mr. Speaker, the people of Iraq deserve better and the women of Iraq demand more. Let me be blunt. American troops have come so far, sacrificed so much, persevered so long to see the tyranny of an unlawful dictator replaced by the tyranny of legal oppression for women. A free Iraq must be free for all. A democracy in the Middle East must be more than a democracy in name only; it must live out its principles.

Freedom is not something that can be limited or divided or restricted. It applies to women, and everyone anywhere and everywhere.

So I put forward this resolution and urge my colleagues not to just stand with me but to stand with the women of Iraq, stand with women everywhere who have fought for and continue to fight for in Iraq.

Those brave women are writing bold new chapters in the story of freedom.

In doing so, they are part of an ever-growing, ever-evolving story.

And I know that he joins his voice, his strength, his wisdom in working with the Iraqi Women's Caucus to do absolutely everything to protect the women in Iraq.

Today's USA news report has an article that states that the government may designate Islam Sharia as a main source of legislation in the country according to a draft. This is incredibly troubling that the rights of women may be turned back. It would be a terrible step for the women whose rights are actually restricted under this new constitution.

This resolution which we are sending to the government is tremendously important, and I would like to be associated with the comments on both sides of the aisle.

Just last week, we met with women leaders from Iraq. Two of them were official members of the government, and they shared their concerns and fears with us. They were concerned for women, but we fear the interpretation of Allah Sharia is to limit the rights and protections of women. We know that a lack of respect for women's rights in the constitution would safeguard women in Iraq today and for generations to come, but we fear that extremist elements might prevent the passage of such a constitutional protection.

I would say that any country that protects their women is a stronger country, and Iraq will be a stronger country if women are able to preserve their position. One of the women we met with was a professional, and she had been denied her job.

Under Sharia, women will lose many of the rights that they already have. As one of them said to me, and I quote: "It is horrible. We are concerned. You must do something. The time is now."

August 15 they will be coming forward with the final draft. They will be voting in October, and we must move forward. Just yesterday, along with 40 other colleagues, I signed an article to President Bush urging him and the State Department to do everything they possibly can to encourage the草案 of the constitution to include specific rights for women, thereby ensuring their equality and their full participation in the new Iraq country.

Under the former regime, they were educated, participated in the workforce, and played a role in the government. And since the end of the Saddam Hussein era, dictatorships have governed and are serving in the national assembly as cabinet members and in local governments across their country.

I have had the opportunity twice to visit Iraq, to visit our soldiers, to meet with officials, and always to meet with women leaders. They are concerned. They are working hard, and with like-minded men are trying to preserve their role.

I urge my colleagues not to just stand with me but to stand with the women of Iraq, stand with women everywhere who have fought for and continue to fight for in Iraq.

Those brave women are writing bold new chapters in the story of freedom.
if women now began to lose ground. There might be full participation and equal treatment under the law for women in Iraq, and I know that my colleagues on both sides of the aisle, I hope they will join the Women’s Iraqi Caucus in expressing our strong support and solidarity with the women of Iraq as they fight for the rights to which they are entitled.

I would just like to close that it would be really a tragedy beyond words if women lose their standing in the constitution and lose the firm ground protection of a constitution. This is critically important. I urge all of my colleagues to join us in supporting this important resolution.

Mr. Speaker, I include the following for the RECORD:

[Intext]

ONE DRAFT OF IRAQ’S CONSTITUTION MAKES ISLAM MAIN SOURCE

BAGHDAD—Framers of Iraq’s new constitution are considering designating Islam as the main source of legislation in the country, according to a draft published Tuesday in the government newspaper.

The draft, which appeared in the Baghdad newspaper Al-Sabah, states that the law shall be approved that contradicts “the rules of Islam,” raising worries that the new government will restrict the role of women in society.

The constitution could change significantly, however, before the parliament votes on it by Aug. 15.

“There are several drafts of the constitution out there,” U.S. Ambassador Zalmay Khalilzad said in a statement Tuesday.

“I look forward to the draft of the constitution in one of the newspapers today. There are other drafts, as well. Now is the time to produce a single draft by the commission,” he said.

The draft published Tuesday seems to reflect the views of conservative members of the constitution committee.

“Islam is the official religion of the state and is the main source of legislation,” the draft reads, “No law that contradicts with its rulings, shall be approved.”

The document also grants the Shiite Arab region leadership in the holy city of Najaf “independence for its guiding role” in recognition of its “high national and religious symbolism.”

In Washington, 41 members of the House of Representatives wrote a letter to President Bush urging him to support provisions in the constitution that would protect women’s rights. “It would be a terrible step backward for the women of Iraq if their rights are actually diminished under the new constitution,” said Rep. Carolyn Maloney, D-N.Y., in a press release.

The letter points out that the constitution would replace the transitional administrative law, which provides for equal treatment under the law and set a requirement that 25% of the seats in the National Assembly go to women.

During the U.S.-run occupation, which ended June 28, 2004, key Shiite and some Sunni politicians sought to have Islam designated as the main source of legislation in the interim constitution, which went into effect in March 2004.

However, U.S. Administrator Paul Bremer blocked the move. He said that Islam would be considered “a source”—but not the only one. At the time, prominent Shiite politicians started a public battle with Bremer and raise the issue again during the drafting of the permanent constitution.

The drafting committee met Tuesday to discuss federalism, another contentious issue, according to Sunni Arab member Mohammed Abed-Rabbou.

He described the discussion as “heated” and said no agreement was reached.

Parliament speaker Hujam al-Hassani urged Iraqis from publishing supposed texts unless they were released by the constitutional committee.

The Sunnis on the committee agreed only Monday to resume work on the committee, after they walked out to protest the assassination of two of their colleagues this month.

CONGRESS OF THE UNITED STATES, Washington, DC, July 25, 2005, Hon. WOBBY B. BUSH, President, Pennsylvania Avenue, NW, Washington, DC.

Dear Mr. President: We are writing to express our concerns with the Iraqi constitution currently being drafted by members of a constitutional drafting committee, and our support for provisions that we hope will be included to guarantee the rights of Iraqi women.

As you know, the National Assembly is scheduled to approve a draft constitution by Aug. 15, 2005. This constitution will replace the Transitional Administrative Law (TAL), which provides for equality of all Iraqis regardless of race, creed, or gender, by providing Iraqi women with 25% of the seats in the transitional assembly. We strongly believe that Iraqi women must have every opportunity to participate in all levels of government so that they can ensure that any laws passed by the Iraqi government will not take away their rights or relegate them to second-class status.

It is our understanding that the current draft of the constitution contains provisions, such as equal rights for women unless those rights contradict Shari’a law, that would weaken language contained in the TAL. Additionally, we understand that the draft would phase out the 25% requirement of parliamentary seats that must be held by women. Iraqi women are playing a critical role in the future of Iraq after the end of Saddam Hussein’s tyranny. They should not be deprived of their freedom or their right to be represented, particularly by those who seek to have the rights of women stripped away.

Therefore, we respectfully request that you do all that you can to demonstrate the United States’ support for equality for all Iraqis regardless of gender, and help the Iraqi people as they continue to establish a new society and government that recognizes the rights of all Iraqi citizens. Iraqi women admirably have served in all levels of government in the transitional Assembly; and as Cabinet Ministers as well as the private sector. We must continue to show our strong support for Iraqi women as they fight for equality.

Thank you for your attention in this matter. We look forward to your reply.

Sincerely,


Ms. ROS-LEHTINEN. Mr. Speaker, I yield to Representative from Nebraska (Mr. OSBORNE), who has been a true leader on Iraq issues, on democratic governance, on women’s issues in Iraq.

Mr. OSBORNE. Mr. Speaker, H. Res. 383 encourages the transitional assembly of Iraq to adopt a constitution that grants women equal rights. It was authored by the gentlewoman from Texas (Ms. GRANGER) and also the gentlewoman from California (Mrs. TAUSCHER) and myself, who are co-chairs of the Iraqi Women’s Caucus.

Mr. Speaker, I would like to say just a word about the Iraqi Women’s Caucus. This was formed a couple of years ago by former Representative Jennifer Dunn and myself, with the belief that Iraqi women are critical to holding the social fabric of Iraq together and bringing Sunnis and Kurds and Shias together.

And as we have talked to them, we found that this is the case, that this is true. Because many of them are married. Sunnis are married to Shias and they have other sects within their families. And they consistently tell us that the divisions are not what people think in the United States.

But we think that women are the key and probably as important as guns and bullets and tanks and helicopters to achieving a peaceful resolution in Iraq. Some of us visited Jordan in March. And we met with 150 Iraqi women near the Dead Sea. These women drove from many points within Iraq. Two groups were shot at on the way, which shows you the resolution that they had, because they continued on their journey.

We visited with many women’s groups from Iraq, in the United States and Iraq, as we have traveled. I visited with prime minister al-Jaafari in Iraq in March. And I asked him this question: I said, will you give Iraqi women a prominent role in the government? And the answer that he gave me was, yes, that he would do that, that he would ensure that.

So as many people are aware, one-third of the 275 seats in the transitional national assembly have been given to women, which is a very good thing. But on May 15, 2005, 55 members of the national assembly were chosen to draft a permanent constitution for Iraq by August 15.

Of that 55, approximately 10 or 11 were women, which again does not sound too bad. But as we met with Iraqi women last week, they said the women that were chosen were among the most conservative, among the most fundamentalist group within the national assembly, and therefore they were really concerned about what was happening in regards to concerning this in the future.

And so as everyone knows, Sharia is Islamic law, and this was what was written in a draft of the constitution.
This is a very exciting time. I know it is a contentious time. I just returned from my ninth visit to Iraq yesterday morning. My purpose in going was to meet with the drafters of the new Constitution, to express our gratitude for their work and appreciation for their bravery and courage, and to assure that they have an awesome opportunity to create a successful country if they recognize that when they move toward democracy, it has to include certain vital components. Democracy obviously involves majority rule. That requires easy to folks. They get majority rule but they also need to recognize the importance of minority rights. And right along with that is the fact that democratic countries that succeed are those democracies that recognize women are an equal part.

When you look at the gross domestic product of the Arab nations, it is astounding to recognize when you take in the size of these countries and in spite of controlling nearly two-thirds of the world’s oil, they still have a collective gross domestic product only equal to Spain’s.

The message is clear, when you cut out half of your populace, you are not going to prosper and grow. So it is in the self-interest of every man and woman in Iraq to make sure women have an equal role in the activities of their country.

When I met this past weekend with Iraqi women in Amman and in Baghdad, and met with men and women who were participating in their constitutional convention, it was clear they feel that they are the Jeffersons and the Madisons and the Adamses and the Franklins and the Shermans. They know this incredible opportunity to shape a great nation.

It is right for our country to encourage them to do the right thing, to tell them we believed in us to succeed. But in the end, it is their country and they will decide what is in their best interest.

They are going to decide, but if they want to succeed, and Lord knows we want them to, they need to make sure that along with guaranteeing majority rule and minority rights, right along with that there is the very real need to guarantee women are not only protected as equal but have an active role in their government.

Last June when the President demanded we transfer power to the Iraqis, there were many who did not agree with him. We took this American face and transferred it to Iraqis, and Iraq is beginning to be in charge of their own country. They had their election this January. More Iraqis participated in their election than Americans participate in their own elections.

They are going to decide August 15. They have assured me they are going to have their constitutional draft done, they are going to have their referendum on the 15th of October, and elect their new government in December. They will succeed.

What is astounding is in spite of the bombings, in spite of the chaos, it has not deterred the Iraqis from moving their country forward.

I am going to conclude my remarks by again thanking the gentlewoman from Texas (Ms. GRANGER) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) for their work, and the gentlewoman from California (Mrs. TAUSCHER), and the gentleman from Nebraska (Mr. OSBORNE) for his work. I believe Iraqis know the importance of what they are doing, and that this little nudge from us is important, but ultimately they get it. They recognize women have a huge role to play in this potentially powerful country, with 10 percent of the world’s oil, with all the water that a Middle East country could want. God bless our country, and God bless our new fledgling democracy in Iraq.
I urge my colleagues to support this resolution, and I strongly encourage the Transnational Assembly of Iraq to grant women equal rights under the law.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 383.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. ROS-LEHTINEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

CONFERENCE REPORT ON H.R. 6, ENERGY POLICY ACT OF 2005

Mr. BARTON of Texas (during consideration of H.R. 383) submitted the following conference report and statement on the bill (H.R. 6), an act to ensure jobs for our future with secure, affordable, and reliable energy:

CONFERENCE REPORT (H. REPT. 109-190)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6), to ensure jobs for our future with secure, affordable, and reliable energy, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The House receives from its disagree- ment to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Energy Policy Act of 2005”.

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

TITLE I—ENERGY EFFICIENCY

Subtitle A—Federal Programs


Sec. 102. Energy management requirements.

Sec. 103. Energy use measurement and accountability.

Sec. 104. Procurement of energy efficient products.

Sec. 105. Energy savings performance contracts.

Sec. 106. Voluntary commitments to reduce industrial energy intensity.

Sec. 107. Advanced Building Efficiency Testbed.

Sec. 108. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete.


Sec. 110. Daylight savings.

Sec. 111. Enhancing energy efficiency in management of Federal lands.

Subtitle B—Energy Assistance and State Programs

Sec. 121. Low income home energy assistance program.

Sec. 122. Weatherization assistance.

Sec. 123. State energy programs.

Sec. 124. Energy efficient appliance rebate programs.

Sec. 125. Energy efficient public buildings.

Sec. 126. Low income community energy efficiency pilot program.

Sec. 127. State Technologies Advancement Collaborative.

Sec. 128. State-based energy efficiency codes incentives.

Subtitle C—Energy Efficient Products

Sec. 131. Energy Star program.

Sec. 132. HVAC maintenance consumer education program.

Sec. 133. Public energy education program.

Sec. 134. Energy efficiency public information initiative.

Sec. 135. Energy conservation standards for additional products.

Sec. 136. Energy conservation standards for commercial equipment.

Sec. 137. Energy labeling.

Sec. 138. Intermittent escalator study.

Sec. 139. Energy efficient electric and natural gas utilities study.

Sec. 140. Energy conservation program.

Sec. 141. Report on failure to comply with deadlines for new or revised energy conservation standards.

Subtitle D—Public Housing

Sec. 151. Public housing capital fund.

Sec. 152. Energy efficient appliances.

Sec. 153. Energy efficiency standards.

Sec. 154. Energy strategy for HUD.

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

Sec. 201. Assessment of renewable energy resources.


Sec. 203. Federal purchase requirements.

Sec. 204. Use of photo voltaic energy in public buildings.

Sec. 205. Biobased products.

Sec. 206. Renewable energy security.

Sec. 207. Installation of photovoltaic system.

Sec. 208. Sugar cane ethanol program.

Sec. 209. Rural and remote community electrification grants.

Sec. 210. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial uses.

Sec. 211. Sense of Congress regarding generation capacity of electricity from renewable energy resources on public lands.

Subtitle B—Geothermal Energy

Sec. 221. Short title.

Sec. 222. Competitive lease sale requirements.

Sec. 223. Direct use.

Sec. 224. Royalties and near-term production incentives.

Sec. 225. Coordination of geothermal leasing and permitting on Federal lands.

Sec. 226. Assessment of geothermal energy potential.

Sec. 227. Cooperative or unit plans.

Sec. 228. Royalty on byproducts.

Sec. 229. Authority of Secretary to readjust terms, conditions, rentals, and royalties.

Sec. 230. Crediting of rental toward royalty.

Sec. 231. Lease duration and work commitment requirements.

Sec. 232. Advanced royalties required for cessation of production.

Sec. 233. Annual rental.

Sec. 234. Deposit and use of geothermal lease revenues for 5 fiscal years.

Sec. 235. Acreage limitations.

Sec. 236. Technical amendments.

Sec. 237. Interstate compact for geothermal development.

Sec. 238. Demonstrative projects.

Sec. 239. Geothermal leasing.

Sec. 240. Geothermal production.

Sec. 241. Geothermal leases.

Sec. 242. Geothermal production incentives.

Sec. 243. Royalty relief.

Sec. 244. Geothermal leasing.

Sec. 245. Geothermal power projects.

Sec. 246. Voluntary commitments to reduce industrial energy intensity.

TITLE III—OIL AND GAS

Subtitle A—Petroleum Reserve and Home Heating Oil

Sec. 301. Permanent authority to operate the Strategic Petroleum Reserve and other energy programs.


Sec. 303. Site selection.

Subtitle B—Natural Gas

Sec. 311. Exportation or importation of natural gas.

Sec. 312. New natural gas storage facilities.

Sec. 313. Process coordination; hearings; rules of procedure.

Sec. 314. Penalties.

Sec. 315. Market manipulation.

Sec. 316. Natural gas market transparency rules.

Sec. 317. Federal-State liquefied natural gas facilities.

Sec. 318. Prohibition of trading and selling by certain individuals.

Subtitle C—Production

Sec. 321. Outer Continental Shelf provisions.

Sec. 322. Hydraulic fracturing.

Sec. 323. Oil and gas exploration and production defined.

Subtitle D—Naval Petroleum Reserve

Sec. 331. Transfer of administrative jurisdiction and environmental remediation, Naval Petroleum Reserve Number 2, Kern County, California.

Sec. 332. Naval Petroleum Reserve Numbered 2 Lease Revenue Account.

Sec. 333. Land conveyance, portion of Naval Petroleum Reserve Numbered 2, to City of Taft, California.

Sec. 334. Reversion of land withdrawal.

Subtitle E—Production Incentives

Sec. 341. Definition of Secretary.

Sec. 342. Program on oil and gas royalties in-kind.

Sec. 343. Marginal property production incentives.

Sec. 344. Incentives for natural gas production from deep wells in the shallow waters of the Gulf of Mexico.

Sec. 345. Royalty relief for deep water production.

Sec. 346. Alaska offshore royalty suspension.

Sec. 347. Oil and gas leasing in the National Petroleum Reserve in Alaska.

Sec. 348. North Slope Science Initiative.

Sec. 349. Orphaned, abandoned, or idled wells on Federal land.

Sec. 350. Combined hydrocarbon leasing.

Sec. 351. Preservation of geological and geophysical data.

Sec. 352. Oil and gas lease acreage limitations.

Sec. 353. Gas hydrate production incentive.

Sec. 354. Enhanced oil and natural gas production through carbon dioxide injection.

Sec. 355. Assessment of dependence of State of Hawaii on oil.

Sec. 356. Denali Commission.

Sec. 357. Comprehensive inventory of OCS oil and natural gas resources.

Subtitle F—Access to Federal Lands

Sec. 361. Federal onshore oil and gas leasing programs.

Sec. 362. Management of Federal oil and gas leasing programs.
Sec. 914. Building standards.
Sec. 915. Secondary electric vehicle battery use program.
Sec. 916. Energy Efficiency Science Initiative.
Sec. 917. Advanced Energy Efficiency Technology Transfer Centers.
Subtitle B—Distributed Energy and Electric Energy Systems
Sec. 921. Distributed energy and electric energy systems.
Sec. 922. High power density industry program.
Sec. 923. Micro-cogeneration energy technology.
Sec. 924. Distributed energy technology demonstration programs.
Sec. 925. Electric transmission and distribution programs.
Subtitle C—Renewable Energy
Sec. 931. Renewable energy.
Sec. 932. Bioenergy program.
Sec. 933. Low-cost renewable hydrogen and infrastructure for vehicle propulsion.
Sec. 934. Concentrating solar power research program.
Sec. 935. Renewable energy in public buildings.
Subtitle D—Agricultural Biomass Research and Development Programs
Sec. 941. Amendments to the Biomass Research and Development Act of 2000.
Sec. 942. Production incentives for cellulose biofuels.
Sec. 943. Procurement of biobased products.
Sec. 944. Small business biopродuct marketing and certification grants.
Sec. 945. Regional bioeconomy development grants.
Sec. 946. Preprocessing and harvesting demonstration grants.
Sec. 947. Education and outreach.
Sec. 948. Reports.
Subtitle E—Nuclear Energy
Sec. 951. Nuclear energy.
Sec. 952. Nuclear energy research programs.
Sec. 953. Advanced fuel cycle initiative.
Sec. 954. University nuclear science and engineering support.
Sec. 955. Department of Energy civilian nuclear infrastructure and facilities.
Sec. 956. Security of nuclear facilities.
Sec. 957. Alternatives to industrial radioactive sources.
Subtitle F—Fossil Energy
Sec. 961. Fossil energy.
Sec. 962. Coal and related technologies program.
Sec. 963. Carbon capture research and development program.
Sec. 964. Research and development for coal mining technologies.
Sec. 965. Oil and gas research programs.
Sec. 966. Low-volume oil and gas reservoir research program.
Sec. 967. Complex well technology testing facility.
Sec. 968. Methane hydrate research.
Subtitle G—Science
Sec. 971. Science.
Sec. 972. Fusion energy sciences program.
Sec. 973. Catalysis research program.
Sec. 974. Hydrogen.
Sec. 975. Solid state lighting.
Sec. 976. Advanced scientific computing for energy missions.
Sec. 977. Systems biology program.
Sec. 978. Fusion and fusion energy materials research program.
Sec. 979. Energy and water supplies.
Sec. 980. Spallation Neutron Source.
Sec. 981. Rare isotope accelerator.
Sec. 982. Office of Scientific and Technical Information.
Sec. 983. Science and engineering education pilot program.
Sec. 984. Energy research fellowships.
Sec. 984A. Science and technology scholarship program.
Subtitle H—International Cooperation
Sec. 985. Western Hemisphere energy cooperation.
Sec. 986. Cooperation between United States and Israel.
Sec. 986A. International energy training.
Subtitle I—Research Administration and Operations
Sec. 987. Availability of funds.
Sec. 988. Cost sharing.
Sec. 989. Merit review proposals.
Sec. 990. External technical review of Departmental programs.
Sec. 991. National Laboratory designation.
Sec. 992. Report on equal employment opportunity practices.
Sec. 993. Strategy and plan for science and energy facilities and infrastructure.
Sec. 994. Strategic research portfolio analysis and coordination plan.
Sec. 995. Competitive award of management contracts.
Sec. 996. Western Michigan demonstration project.
Sec. 997. Arctic Engineering Research Center.
Sec. 998. Barrow Geophysical Research Facility.
Subtitle J—Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources
Sec. 998A. Program authority.
Sec. 998B. Ultra-deepwater and unconventional onshore natural gas and other petroleum research and development program.
Sec. 998C. Additional requirements for awards.
Sec. 998D. Advisory committees.
Sec. 998E. Limits on participation.
Sec. 998F. Sunset.
Sec. 998G. Definitions.
Sec. 998H. Funding.
TITLE X—DEPARTMENT OF ENERGY MANAGEMENT
Sec. 1001. Improved technology transfer of energy technologies.
Sec. 1002. Technology Infrastructure Program.
Sec. 1003. Small business advocacy and assistance.
Sec. 1004. Outreach.
Sec. 1005. Relationship to other laws.
Sec. 1006. Improved coordination and management of civilian science and technology programs.
Sec. 1007. Other transactions authority.
Sec. 1008. Prizes for achievement in grand challenges of science and technology.
Sec. 1009. Technical corrections.
Sec. 1010. University collaboration.
Sec. 1011. Sense of Congress.
TITLE XI—PERSONNEL AND TRAINING
Sec. 1101. Workforce trends and traineeship.
Sec. 1102. Educational programs in science and technology.
Sec. 1103. Small business advocacy and assistance.
Sec. 1104. Outreach.
Sec. 1105. Relationship to other laws.
Sec. 1106. Improved coordination and management of civilian science and technology programs.
Sec. 1107. Other transactions authority.
Sec. 1108. Prizes for achievement in grand challenges of science and technology.
Sec. 1109. Technical corrections.
Sec. 1110. University collaboration.
Sec. 1111. Sense of Congress.
TITLE XII—ELECTRICITY
Sec. 1201. Short title.
Sec. 1202. Application to 45 credit to agricultural cooperatives.
Sec. 1203. Clean renewable energy bonds.
Sec. 1204. Treatment of income of certain electric cooperatives.
Sec. 1205. Disposition of transmission property to implement FERC restructuring policy.
Sec. 1224. Advanced Power System Technology Incentive Program.
Subtitle C—Transmission Operation Improvements
Sec. 1231. Open nondiscriminatory access.
Sec. 1232. Federal utility participation in Transmission Organizations.
Sec. 1233. Native load service obligation.
Sec. 1234. Study on the benefits of economic dispatch.
Sec. 1235. Protection of transmission contracts in the Pacific Northwest.
Sec. 1236. Sense of Congress regarding local installed capacity mechanism.
Subtitle D—Transmission Rate Reform
Sec. 1241. Transmission infrastructure investment.
Sec. 1242. Funding new interconnection and transmission upgrades.
Subtitle E—Amendments to PURPA
Sec. 1251. Net metering and additional standards.
Sec. 1252. Smart metering.
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TITLE XVI—CLIMATE CHANGE

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TITLE XVII—INCENTIVES FOR INNOVATIVE TECHNOLOGIES

Sec. 1701. Definitions.
1 or more organizations referred to in subpara-
graph (A); and
(ii) is operated, supervised, or controlled by or
in connection with 1 or more of those organiza-
tions.
(3) NATIONAL LABORATORY.—The term “Na-
tional Laboratory” means any of the following:
(A) Idaho National Laboratory.
(B) Argonne National Laboratory.
(C) Brookhaven National Laboratory.
(D) Fermi National Accelerator Laboratory.
(E) Idaho National Laboratory.
(F) Lawrence Berkeley National Laboratory.
(G) Lawrence Livermore National Laboratory.
(H) Los Alamos National Laboratory.
(I) National Energy Technology Laboratory.
(J) National Renewable Energy Laboratory.
(K) Oak Ridge National Laboratory.
(L) Pacific Northwest National Laboratory.
(M) Princeton Plasma Physics Laboratory.
(N) Sandia National Laboratories.
(O) Savannah River National Laboratory.
(P) Stanford Linear Accelerator Center.
(Q) Thomas Jefferson National Accelerator
Facility.
(4) SECRETARY.—The term “Secretary” means
the Secretary of Energy.
(5) SMALL BUSINESS CONCERN.—The term
“small business concern” has the meaning given
in section 3 of the Small Business Act

TITLE I—ENERGY EFFICIENCY

Subtitle A—Federal Programs

SEC. 101. ENERGY AND WATER SAVING MEASURES TO BE EXCLUDED FROM FEDERAL BUILDINGS.

(a) IN GENERAL.—Part 3 of title V of the Na-
tional Energy Conservation Policy Act (42
U.S.C. 8251 et seq.) is amended by adding at the end the following:

“SEC. 552. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

“(a) IN GENERAL.—The Architect of the Cap-
titol—

“(1) shall develop, update, and implement a cost-effective energy conservation and manage-
ment plan (referred to in this section as the ‘plan’) for all facilities administered by Congress (referred to in this section as ‘congressional buildings’) to meet the energy performance re-
quirements for Federal buildings established under section 543(a)(1); and

“(2) shall submit the plan to Congress, not later than 180 days after the date of enactment of this section.

“(b) PLAN REQUIREMENTS.—The plan shall in-
clude—

“(1) a description of the life cycle cost analy-
sis used to determine the cost-effectiveness of proposed energy efficiency projects;

“(2) a schedule of energy surveys to ensure complete surveys of all congressional buildings every 5 years to determine the cost and payback period of energy and water conservation meas-
ures;

“(3) a strategy for installation of life cycle cost-effective energy and water conservation
measures;

“(4) results of a study of the costs and benefits of installation of submetering in con-
gressional buildings; and

“(5) information packages and ‘how-to’ guides for each agency, in determining authority of Congress that detail simple, cost-effective meth-
ods to save energy and taxpayer dollars in the workplace.

“(c) ANNUAL REPORT.—The Architect of the Cap-
titol shall submit to Congress annually a re-
port on congressional energy management and conservation programs required under this sec-
tion that gives the following:

“(1) energy expenditures and savings esti-
mates for each facility;

“(2) energy management and conservation programs;

“(3) future priorities to ensure compliance
with this section.”.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the National Energy Con-
servation Policy Act is amended by adding at the end of the items relating to part 3 of title V
the following:

“Sec. 552. Energy and water savings measures in congressional buildings.”

(c) REPEAL.—Section 310 of the Legislative
Branch Appropriations Act, 1999 (2 U.S.C. 1815), is repealed.

SEC. 102. ENERGY MANAGEMENT REQUIREMENTS.

(a) ENERGY REDUCTION GOALS.—

“(1) AMENDMENT.—Section 543(a)(1) of the Na-
tional Energy Conservation Policy Act (42
U.S.C. 8253(a)(1)) is amended by striking ‘its
Federal buildings so that’ and all that follows
through the end and inserting ‘the Federal
buildings to be excluded’.

“(2) REPORTING BASELINE.—The energy reduc-
tion goals and baseline established in paragraph
(1) of section 543(a) of the National Energy Con-
servation Policy Act (42 U.S.C. 8253(a)(1)), as
amended by this subsection, supersedes all pre-
vious goals and baselines under such para-
graph, and related reporting requirements.

“(b) REVIEW AND REVISION OF ENERGY PERFORM-
ANCE REQUIREMENT.—Section 543(a) of the Na-
tional Energy Conservation Policy Act (42
U.S.C. 8253(a)) is further amended by adding at the end the following:

“(2) by striking ‘not later than December 31, 2014, the Sec-

etary shall review the results of the implemen-
tation of the energy performance requirement established under paragraph (1) and submit to
Congress recommendations concerning energy performance requirements for fiscal years 2016
through 2025.’

“(c) EXCLUSIONS.—Section 543(c)(1) of the Na-
tional Energy Conservation Policy Act (42
U.S.C. 8253(c)(1)) is further amended by adding at the end the following:

“(2) by striking ‘an agency may exclude, from
the energy performance
requirement for a fiscal year
established under subsection (a) and the energy management
requirement established under subsection (b), any
Federal building or collection of Federal build-
ings if the head of the agency finds that—

“(i) compliance with those requirements would
be impracticable; or

“(ii) the agency has completed and submitted
all federally required energy management
reports;

“(iii) the agency has achieved compliance with
the energy efficiency requirements of this Act,
the Energy Policy Act of 1992, Executive or-
ders, and other Federal law; and

“(iv) the agency has implemented all prac-
ticable, life cycle cost-effective projects with
respect to the Federal building or collection
of Federal buildings to be excluded.

“(B) A finding of impracticability under sub-
paragraph (A)(ii) shall be based on the
energy consumption per gross square foot of the
Federal buildings of the agency in fiscal years 2006
through 2015, which is compared with
energy consumption per gross square foot of
the Federal buildings of the agency in fiscal
year 2003, by the percentage specified in the fol-
lowing table:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percentage reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2</td>
</tr>
<tr>
<td>2007</td>
<td>4</td>
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<td>2013</td>
<td>16</td>
</tr>
<tr>
<td>2014</td>
<td>20</td>
</tr>
<tr>
<td>2015</td>
<td>20</td>
</tr>
</tbody>
</table>

“(c) RETENTION OF ENERGY AND WATER SAV-
INGS.—Section 546 of the National Energy Con-
servation Policy Act (42 U.S.C. 8256) is amended
by adding at the end the following new sub-
section:

“(1) ENERGY AND WATER SAVINGS.—An agency
may retain any funds appropriated to that agency
for energy expenditures, water expenditures,
or wastewater treatment expenditures, at
buildings subject to the require-
ments of section 546(a) that
are not made because of energy savings or water
savings. Except as otherwise provided by law, such
funds may be used only for energy efficiency, water conservation, or unconventional and
renewable energy resources projects. Such projects
shall be subject to the requirements of section
3307 of title 40, United States Code.

“(d) REPORTS.—Section 548(b) of the National
Energy Conservation Policy Act (42
U.S.C. 8258(b)) is amended
by striking ‘(A) and (B)’ and
inserting ‘(A)’.

SEC. 103. ENERGY USE MEASUREMENT AND AC-
COUNTABILITY.

Section 543 of the National Energy Conser-
vation Policy Act (42 U.S.C. 8253) is further
amended by adding at the end the following:

“(e) METERING OF ENERGY USE.—

“(1) DEADLINE.—By October 1, 2012, in ac-
cordance with guidelines established by the Sec-
cretary, all Federal building energy track-
ing systems and made available to Federal
facility managers.

“(2) GUIDELINES.—

“(A) IN GENERAL.—Not later than 180 days
after the date of enactment of this subsection, the Secretary, in consultation with the Depart-
mant of Defense, the General Services Adminis-
tration, representatives from the metering indus-
try, utility industry, energy services industry,
energy efficiency industry, energy efficiency ad-
visory organizations, national laboratories,
universities, and Federal facility managers,
shall establish guidelines for agencies to carry
out paragraph (1).

“(B) REQUIREMENTS FOR GUIDELINES.—The
guidelines shall—

“(i) take into consideration—
(I) the cost of metering and the reduced cost of operation and maintenance expected to result from metering;

(II) the extent to which metering is expected to reduce energy cost savings and energy efficiency improvement, and cost and energy savings due to utility contract agreements that:

(III) the measurement and verification protocols of the Department of Energy;

(ii) include recommendations concerning the amount and number of trained personnel necessary to gather and use the metering information to track and reduce energy use;

(iii) specify the types and locations of buildings to be metered based on cost-effectiveness and a schedule of 1 or more dates, not later than 1 year after the date of issuance of the guidelines, on which the requirements specified in paragraph (I) shall take effect; and

(iv) establish exclusions from the requirements specified in paragraph (I) based on the de minimis quantity of energy use of a Federal building, industrial process, or structure.

(3) PLAN.—Not later than 6 months after the date guidelines are established under paragraph (2), in a plan submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing how the agency will implement the requirements of paragraph (1), including a description of how the agency will designate personnel primarily responsible for achieving the requirements and (B) demonstration by the agency, complete with documentation, of any finding that no Energy Star product or FEMP designated product is reasonably available that meets the functional requirements of the agency.

SEC. 105. PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) REQUIREMENTS.—Part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), as amended by section 101, is amended by adding at the end the following:

"SEC. 553. FEDERAL PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(1) DEFINITIONS.—In this section:

(A) AGENCY.—The term 'agency' has the meaning given that term in section 7902(a) of title 5, United States Code.

(B) ENERGY STAR PRODUCT.—The term 'Energy Star product' means a product that is rated for energy efficiency under an Energy Star program.

(C) ENERGY STAR PROGRAM.—The term 'Energy Star program' means the program established by section 324A of the Energy Policy and Conservation Act.

(D) FEMP DESIGNATED PRODUCT.—The term 'FEMP designated product' means a product that is designated under the Federal Energy Management Program of the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

(E) PRODUCT.—The term 'product' does not include any energy consuming product or system designed or procured for combat or combat-related missions.

(F) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—

(1) REQUIREMENT.—To meet the requirements of an agency for an energy consuming product, the head of the agency shall, except as provided in paragraph (2), procure:

(A) an Energy Star product; or

(B) a FEMP designated product.

(2) EXCEPTIONS.—The head of an agency is not required to procure an Energy Star product or FEMP designated product under paragraph (1) if the head of the agency finds in writing that—

(A) an Energy Star product or FEMP designated product is not cost-effective over the life of the product taking energy cost savings into account; or

(B) an Energy Star product or FEMP designated product is reasonably available that meets the functional requirements of the agency.

(2) PROCUREMENT PLANNING.—The head of an agency shall incorporate into the specifications for all procurements involving energy consuming products and systems, including guide books, specifications, and construction and construction, renovation, and services contracts that include provision of energy consuming products and systems, and into the factors for the evaluation of a contract or for the procurement, criteria for energy efficiency that are consistent with the criteria used for rating Energy Star products and for rating FEMP designated products.

(3) LISTING OF ENERGY EFFICIENT PRODUCTS IN FEDERAL CATALOGS.—Energy Star products and FEMP designated products shall be clearly identified and listed in any inventory or listing of products by the General Services Administration or the Defense Logistics Agency. The General Services Administration or the Defense Logistics Agency shall supply only Energy Star products or FEMP designated products for all product categories covered by the Energy Star program or the Federal Energy Management Program, except in cases where the agency ordering a product specifies in writing that no Energy Star product or FEMP designated product is available to meet the buyer's specific functional requirements. An Energy Star product or FEMP designated product is cost-effective for the intended application over the life of the product, taking energy cost savings into account.

(4) SPECIFIC PRODUCTS.—(I) In the case of electric motors of 1 to 500 horsepower, agencies shall consider the National Energy Efficiency Standard for Electric Motors when selecting motors that meet a standard designated by the Secretary.

(II) The Secretary shall designate such a standard not later than 120 days after the date of the enactment of this section, after considering the recommendations of associated electric motor manufacturers and energy efficiency groups.

(II) All Federal agencies are encouraged to take into account the energy efficiency of air conditioning and refrigeration equipment, including appropriate cleaning and maintenance, including the use of any system treatment or additive that will reduce the electricity consumed by air conditioning and refrigeration equipment. Any such treatment or additive must be—

(A) determined by the Secretary to be effective in increasing the efficiency of air conditioning and refrigeration equipment without having an adverse impact on air conditioning performance (including cooling capacity) or equipment useful life;

(B) determined by the Administrator of the Environmental Protection Agency to be environmentally safe;

(C) shown to increase seasonal energy efficiency ratio (SEER) or energy efficiency ratio (EER) when tested by the National Institute of Standards and Technology according to Department of Energy test procedures without causing any adverse impact on the system, system components, the refrigerant or lubricant, or other materials in auxiliary and service use;

(D) established by the Secretary, in cooperation with the Administrator of General Services, for products procured by Federal agencies.

(2) The Secretary is authorized to establish an Energy Star program for the development, testing, and demonstration of advanced engineering systems, components, and materials to assist the Nation in reaching the energy efficiency goals established in this section. The program shall evaluate efficiency concepts for government and industry buildings, and demonstrate the ability of next generation buildings to support individual and national productivity and health (including by improving indoor air quality) as well as flexibility and technological change to improve environmental sustainability. Such program shall complement and not duplicate existing national programs.

(b) EXTENSION OF AUTHORITY.—Any energy savings performance contract entered into under the National Energy Conservation Policy Act (42 U.S.C. 8287) after October 1, 2003, and before the date of enactment of this Act, shall be considered to have been entered into under that section.

SEC. 106. VOLUNTARY COMMITMENTS TO REDUCE INDUSTRIAL ENERGY INTENSITY.

(a) DEFINITION OF ENERGY INTENSITY.—In this section, the term 'energy intensity' means the primary energy consumed for each unit of physical output in an industrial process.

(b) VOLUNTARY AGREEMENTS.—The Secretary may enter into voluntary agreements with 1 or more persons in industrial sectors that consume significant quantities of primary energy for each unit of physical output to reduce the energy intensity of the production activities of the persons.

(c) GOAL.—Voluntary agreements under this section shall have as a goal the reduction of energy intensity by not less than 2.5 percent each year during the period of calendar years 2007 through 2016.

(d) RECOGNITION.—The Secretary, in cooperation with other appropriate Federal agencies, shall develop mechanisms to recognize and publicize the achievements of participants in voluntary agreements under this section.

SEC. 107. ADVANCED BUILDING EFFICIENCY TESTBED.

(a) ESTABLISHMENT.—The Secretary, in consultation with the Administrator of General Services, shall establish an Energy Efficiency Testbed program for the development, testing, and demonstration of advanced engineering systems, components, and materials to assist the Nation in reaching the energy efficiency goals established in this section.

(b) PROGRAM.—The Secretary, in consultation with the Administrator of General Services, shall establish an Advanced Building Efficiency Testbed program for the development, testing, and demonstration of advanced engineering systems, components, and materials to assist the Nation in reaching the energy efficiency goals established in this section. The program shall evaluate efficiency concepts for government and industry buildings, and demonstrate the ability of next generation buildings to support individual and national productivity and health (including by improving indoor air quality) as well as flexibility and technological change to improve environmental sustainability. Such program shall complement and not duplicate existing national programs.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $6,000,000 for each of the fiscal years 2006 through 2008, to remain available until expended. For any fiscal year for which funds are authorized by this section, the Secretary shall provide ½ of the total amount to the lead university described in
subsection (b), and provide the remaining ½ to the other participants referred to in subsection (b) on an equal basis.

SEC. 108. INCREASED USE OF RECOVERED MINERAL COMPONENT IN FEDERALLY FUNDED PROJECTS INVOLVING PROCUREMENT OF CEMENT OR CONCRETE.

(a) AMENDMENT.—Subtitle F of the Solid Waste Disposal Act (42 U.S.C. 6961 et seq.) is amended by adding at the end the following:

"INCREASED USE OF RECOVERED MINERAL COMPONENT IN FEDERALLY FUNDED PROJECTS INVOLVING PROCUREMENT OF CEMENT OR CONCRETE—"Sec. 6005. (a) DEFINITIONS.—In this section:

"(1) AGENCY HEAD.—The term 'agency head' means—

"(A) the Secretary of Transportation; and

"(B) the head of any other Federal agency that, as a result of policies, procedures, or regulations, uses Federal funds to pay or assist in paying the cost of procuring, material for cement or concrete projects.

"(2) CEMENT OR CONCRETE PROJECT.—The term 'cement or concrete project' means a project for the construction or maintenance of a highway or other transportation facility or a Federal, State, or local government building or other public facility that—

"(A) involves the procurement of cement or concrete; and

"(B) is carried out, in whole or in part, using Federal funds.

"(3) RECOVERED MINERAL COMPONENT.—The term 'recovered mineral component' means—

"(A) any material produced from blast furnace slag, excluding lead slag;

"(B) coal combustion fly ash; and

"(C) any other waste material or byproduct recovered or diverted from solid waste that the Administrator, in consultation with an agency head, determines should be treated as recovered mineral component for this section (including use in cement or concrete projects paid for, in whole or in part, by the agency head).

"(B) IMPLEMENTATION OF REQUIREMENTS.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator and each agency head shall take such actions as are necessary to implement fully all procurement requirements and incentives in effect as of the date of enactment of this section (including guidelines under section 6002) that provide for the use of cement and concrete incorporating recovered mineral component in cement or concrete projects.

"(2) PRIORITY.—In carrying out paragraph (1), an agency head shall give priority to achieving the increased use of recovered mineral component in cement or concrete projects for which recovered mineral components have not been used or have been used only minimally.

"(b) FEDERAL PROCUREMENT REQUIREMENTS.—

"(1) The Administrator and each agency head shall carry out this subsection in accordance with section 6002.

"(2) FEDERAL PROCUREMENT REQUIREMENTS.—The Administrator and each agency head shall carry out this subsection in accordance with section 6002.

"(c) STUDY.—

"(1) IN GENERAL.—The Administrator, in cooperation with the Secretary of Transportation and the Secretary of Energy, shall conduct a study to identify to which procurement requirements, when fully implemented in accordance with subsection (b), may realize energy savings and environmental benefits attainable with substitution of recovered mineral component in cement used in cement or concrete projects.

"(2) MATTERS TO BE ADDRESSED.—The study shall—

"(A) quantify—

"(i) the extent to which recovered mineral component is being substituted for Portland cement, particularly as a result of procurement requirements; and

"(ii) the energy savings and environmental benefits of the substitution;

"(B) identify all barriers in procurement requirements to greater realization of energy savings and environmental benefits, including barriers resulting from exceptions from the law; and

"(C)(i) identify potential mechanisms to achieve greater substitution of recovered mineral component in cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally; and

"(ii) evaluate the feasibility of establishing guidelines or standards for optimized substitution rates of recovered mineral component in those cement or concrete projects; and

"(iii) identify potential environmental or economic effects that may result from greater substitution of recovered mineral component in those cement or concrete projects.

"(2) REPORT.—Not later than 30 months after the date of enactment of this section, the Administrator shall submit to Congress a report on the study:

"(A) ADDITIONAL PROCUREMENT REQUIREMENTS.—Unless the study conducted under subsection (c) identifies any effects or other problems described in subsection (c)(2)(B) that warrant further review or delay, the Administrator and each agency head shall, not later than 1 year after the date on which the report under subsection (c)(3) is submitted, take additional actions under this Act to establish procurement requirements and incentives that provide for the use of cement and concrete with increased substitution of recovered mineral component in the construction and maintenance of cement or concrete projects—

"(i) to realize more fully the energy savings and environmental benefits associated with increased substitution; and

"(ii) to eliminate barriers identified under subsection (c)(2)(B).

"(B) IMPLEMENTATION OF REQUIREMENTS.—Nothing in this section affects the requirements of section 6002 (including the guidelines and specifications for implementing those requirements).

"(c) STUDY.—The study required by subsection (b) of the Solid Waste Disposal Act is amended by adding after the item relating to section 6004 the following:

"Sec. 6005. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete."

"SEC. 109. FEDERAL BUILDING PERFORMANCE STANDARDS.

Section 306(a) of the Energy Conservation and Production Act (42 U.S.C. 6834a) is amended—

"(1) IN GENERAL.—In paragraph (2)(A) of subsection (a), by adding "OR ASHRAE Standard 90.1-2004;" after "ASHRAE Standard 90.1-1989;" and inserting "ASHRAE Standard 90.1-2004;" and

"(2) BUDGET REQUEST.—In the budget request of the Federal agency for each fiscal year and each report submitted by the Federal agency under section 548(a) of the National Energy Policy Act (42 U.S.C. 8259(a)), the head of each Federal agency shall include—

"(i) a list of all new Federal buildings owned, operated, or controlled by the Federal agency; and

"(ii) a statement specifying whether the Federal buildings meet or exceed the revised standards established under this paragraph.

"SEC. 110. DAYLIGHT SAVINGS.

(a) AMENDMENT.—Section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended—

"(1) by striking "first Sunday of April" and inserting "second Sunday of March"; and

"(2) by striking "last Sunday of October" and inserting "first Sunday of November.

"(b) EFFECTIVE DATE.—Subsection (a) shall take effect 1 year after the date of enactment of this Act, or March 1, 2006, whichever is later.

"(c) REPORT TO CONGRESS.—Not later than 9 months after the effective date stated in subsection (b), the Secretary shall report to Congress on the impact of the amendment on energy consumption in the United States.

"(d) RIGHT TO REVERT.—Congress retains the right to revert the Daylight Saving Time back to the 2006 time schedules once the Department study is complete.

"SEC. 111. ENHANCING ENERGY EFFICIENCY IN MANAGEMENT OF FEDERAL LANDS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that Federal agencies should enhance the use of energy efficient technologies in the management of natural resources.

"(1) CONSERVATION.—To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to incorporate energy efficient technologies in public and administrative buildings associated with management of the National Park System, National Wildlife Refuge System, National Forest System, National Marine Sanctuaries System, and other public lands and resources managed by the Secretaries.

"(2) ENERGY EFFICIENT VEHICLES.—To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to use energy efficient motor vehicles, including vehicles equipped with biodiesel or hybrid engine technologies, in the management of the National Park System, National Wildlife Refuge System, National Forest System, National Marine Sanctuaries System, and other public lands and resources managed by the Secretaries.

Subtitle B—Energy Assistance and State Programs

"SEC. 121. LOW INCOME HOME ENERGY ASSISTANCE PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 263(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8262(b)) is amended by striking "and $2,000,000,000 for the fiscal years 2002 through 2004" and inserting "$1,000,000,000 for each of fiscal years 2005 through 2007.

(b) RENEWABLE FUELS.—The Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8261 et seq.) is amended by adding at the end the following new section:

"SEC. 2612. In providing assistance pursuant to this title, a State, or any other person with which the State makes arrangements to carry out the purposes of this title, may purchase renewable fuels.

"(c) REPORT TO CONGRESS.—The Secretary shall report to Congress on the use of renewable fuels.

"vide the amendment.
fuels in providing assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

SEC. 122. WEATHERIZATION ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 392 of the Energy Policy and Conservation Act (42 U.S.C. 6872) is amended by striking “for fiscal years 1999 through 2003 such sums as necessary” and inserting “$500,000,000 for fiscal year 2006, $600,000,000 for fiscal year 2007, and $700,000,000 for fiscal year 2008”.

(b) ELIGIBILITY.—Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6827(7)) is amended by striking “125 percent” both places it appears and inserting “150 percent”.

SEC. 123. STATE ENERGY PROGRAMS.

(a) STATE ENERGY CONSERVATION PLANS.—Section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by inserting at the end the following new subsection:

“(g) The Secretary shall, at least once every 3 years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of such State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities for cooperation and assistance to be carried out in pursuit of common energy conservation goals.”.

(b) STATE ENERGY EFFICIENCY GOALS.—Section 365 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by inserting after “pursuant to” the following new subsection:

“(c) the difference between the cost of the residential energy Star product and the cost of an appliance that is not a residential Energy Star product, but is of the same type as, and is the nearest capacity, performance, and other relevant characteristics (as determined by the State energy office) to the, residential Energy Star product.

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $50,000,000 for each of the fiscal years 2006 through 2010.

SEC. 124. ENERGY EFFICIENT APPLIANCE REBATE PROGRAMS.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE STATE.—The term “eligible State” means a State that meets the requirements of subsection (b).

(2) ENERGY STAR PROGRAM.—The term “Energy Star program” means the program established by section 324A of the Energy Policy and Conservation Act.

(3) RESIDENTIAL ENERGY STAR PRODUCT.—The term “residential Energy Star product” means a product for a residence that is rated for energy efficiency under the Energy Star program.

(4) STATE ENERGY OFFICE.—The term “State energy office” means the State agency responsible for developing and implementing State energy conservation plans under section 362 of the Energy Policy and Conservation Act.

(5) STATE PROGRAM.—The term “State program” means the energy efficiency appliance rebate program described in subsection (b)(1).

(6) ELIGIBLE STATE.—A State shall be eligible to receive an allocation under subsection (c) if the State:

(1) establishes (or has established) a State energy efficient appliance rebate program to provide rebates to residential consumers for the purchase of residential Energy Star products to replace used appliances of the same type;

(2) submits an application for the allocation at such time, in such form, and containing such information as the Secretary may require;

(3) explores opportunities for partnerships with other State, local, or national entities to improve energy efficiency and reduce energy costs in low income rural and urban communities.

(b) PURPOSE OF GRANTS.—The Secretary shall make grants to eligible States for the purpose of carrying out this section and the following:

(1) investments that develop alternative, renewable, and distributed energy supplies;

(2) energy efficiency projects and energy conservation programs;

(3) studies and other activities that improve energy efficiency in low income rural and urban communities;

(4) planning and development assistance for increasing the energy efficiency of buildings and facilities; and

(5) technical and financial assistance to local government and private entities on developing new renewable and distributed sources of power or combined heat and power generation.

(c) DEFINITION.—For purposes of this section, 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.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated to the Secretary $22,000,000 for each of fiscal years 2006 through 2008.

SEC. 126. STATE BUILDING ENERGY EFFICIENCY CODES INCENTIVES.

(a) GRANTS.—The Secretary is authorized to make grants to units of local government, pri-
“(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 2004 International Energy Conservation Code, or any succeeding version of that code that has received an affirmative determination from the Secretary under subsection (a)(5)(A); and

(ii) a commercial building energy efficiency code that meets or exceeds the requirements of the ASHRAE Standard 90.1-2004, or any succeeding version of that standard that has received an affirmative determination from the Secretary under subsection (b)(2)(A); or

(B) in which there is no statewide energy code either for residential buildings or for commercial buildings, 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 $500,000 for coordination among the State and local officials to implement codes described in paragraph (2).

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

(i) $25,000,000 for each of fiscal years 2006 through 2010; and

(ii) amounts as are necessary for fiscal year 2011 and each fiscal year thereafter.

(5) Funding provided to States under paragraph (2) for each fiscal year shall not exceed 1/3 of the amounts made available under this subsection for the fiscal year.

SUBTITLE C—ENERGY EFFICIENT PRODUCTS

SECTION 131. ENERGY STAR PROGRAM.

(a) IN GENERAL.—The Energy Policy and Conservation Act (42 U.S.C. 6201) is amended by listing within the Department of Energy and the Environmental Protection Agency a voluntary energy conservation standards.

(b) DIVISION OF RESPONSIBILITIES.—The Administrator of the Environmental Protection Agency and any other entities that the Secretary determines to be appropriate, including industry trade associations, industry members, and energy efficiency organizations.

(c) HVAC MAINTENANCE.—The Secretary shall, not later than 180 days after the date of enactment of this subsection, carry out a program to educate homeowners and small business owners concerning the energy savings from properly conditioned ventilation systems.

(d) DEADLINES.—The Secretary shall establish deadlines for each of the provisions made by the Energy Star for Small Business Program, and the Administrator of the Small Business Administration shall ensure that the Energy Star program provides a centralized resource where small business concerns may access, telephonically and electronically, technical information and advice to help increase energy efficiency and reduce energy costs.

(5) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration shall ensure that the Small Business Program, the Energy Star Program, and the Energy Conservation Standards Program (in this subsection referred to as the ‘Clearinghouse’).

(5) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration shall ensure that the Clearinghouse provides a centralized resource where small business concerns may access, telephonically and electronically, technical information and advice to help increase energy efficiency and reduce energy costs.

(6) There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.

SECTION 132. PUBLIC ENERGY EDUCATION PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall convene an organizational conference for the purpose of establishing an ongoing, self-sustaining national public energy education program.

(b) PARTICIPANTS.—The Secretary shall invite to participate in the conference qualified public, private, and nonprofit entities representing all aspects of energy products and distribution, including—

(1) industrial firms;

(2) professional societies;

(3) educational organizations;

(4) trade associations; and

(5) governmental agencies.

(c) PURPOSE, SCOPE, AND STRUCTURE.—The purpose of the conference shall be to establish an ongoing, self-sustaining national public energy education program to examine and recognize the relationships between energy sources in all forms, including—

(A) conservation and energy efficiency;

(B) the role of energy use in the economy; and

(C) the impact of energy use on the environment.

(d) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and other guidance necessary to carry out the program described in paragraph (1). There are authorized to be appropriated such sums as are necessary to carry out this section.

SECTION 134. ENERGY EFFICIENCY PUBLIC INFORMATION INITIATIVE.

(a) IN GENERAL.—The Secretary shall carry out a comprehensive national program, including advertising and media awareness, to inform consumers about—

(1) the need to reduce energy consumption during the 4-year period beginning on the date of enactment of this Act; and

(2) the benefits to consumers of reducing consumption of electricity, natural gas, and petroleum, particularly during peak use periods;

(3) the importance of low energy costs to economic growth and preserving manufacturing jobs in the United States; and

(4) practical, cost-effective measures that consumers can take to reduce consumption of electricity, natural gas, and gasoline, including—

(A) maintaining and repairing heating and cooling ducts and equipment;

(B) weatherizing homes and buildings;

(C) purchasing energy-efficient products; and

(D) proper tire maintenance.

(b) COOPERATION.—The program carried out under subsection (a) shall—

(1) coordinate with efforts of State and local government officials and the private sector; and
(2) incorporate, to the maximum extent practicable, successful State and local public education programs.

(c) REPORT.—Not later than July 1, 2009, the Secretary shall submit to Congress a report describing the effectiveness of the program under this section.

(d) TERMINATION OF AUTHORITY.—The program established under this section shall terminate on December 31, 2010.

(e) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this section $900,000,000 for each of fiscal years 2006 through 2010.

SEC. 135. ENERGY CONSERVATION STANDARDS

(a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended—

(1) in paragraph (2)—

(A) in subparagraph (D)—

(i) in clause (i), by striking ‘‘CT7.1983(H1984)’’ and inserting ‘‘CT7.81—2003 (Data Sheet 7881—ANSI-3007–1)’’;

(ii) in clause (ii), by striking ‘‘CT7.1983(H1984)’’ and inserting ‘‘CT7.81—2003 (Data Sheet 7881—ANSI-3007–1)’’; and

(iii) class (iii), by striking ‘‘CT7.1983(H1984)’’ and inserting ‘‘CT7.81—2003 (Data Sheet 7881—ANSI-3007–1)’’;

(B) by adding at the end the following:

‘‘(A) integral, such that the equipment is attached to the main electricity supply; and

(B) connected to the main electricity supply; and

(ii) used in conjunction with commercial dishwashing and ware washing equipment that sprays water on dishes or other parts necessary for operation.

(3) The term ‘‘dishwash and ware wash appliance’’ means a nonportable device that is designed and marketed to start and operate mercury vapor lamps by providing the necessary voltage and current.

(4) The term ‘‘direct light’’ means a light generated by the application of the lamp to an integral light source.

(5) The term ‘‘dehumidifier’’ means a self-contained, electrically operated, and mechanically encased assembly consisting of—

(A) a dehumidifier that condenses moisture from the atmosphere;

(B) a dehumidifier, including an electric motor;

(C) an air-circulating fan; and

(D) means for collecting or disposing of the condensate.

(6) The term ‘‘distribution transformer’’ means a transformer that—

(i) has an input voltage of 34.5 kilovolts or less;

(ii) has an input voltage of 4.5 kilovolts or less;

(iii) has an output voltage of 600 volts or less; and

(iv) is rated for operation at a frequency of 60 Hertz.

(7) The term ‘‘distribution transformer’’ does not include—

(i) a transformer with multiple voltage taps, the highest of which equals at least 20 percent more than the lowest;

(ii) a transformer that is designed to be used in a special purpose application and is unlikely to be used in general purpose applications, such as a drive transformer, rectifier transformer, auto-transformer, Uninterruptible Power System transformer, impedance transformer, rectifier transformer, sealed and nonventilating transfer transformer, machine tool transformer, welding transformer, grounding transformer, or testing transformer;

(iii) any transformer not listed in clause (ii) that is excluded by the Secretary by rule because—

(A) the transformer is designed for a special application;

(B) the transformer is unlikely to be used in general purpose applications;

(C) the application of standards to which the transformer would not result in significant energy savings;

(D) the term ‘‘external power supply’’ means an external power supply circuit that is used to convert household electric current into DC current or lower voltage AC current to operate a consumer product;

(E) the term ‘‘illuminated exit sign’’ means a sign that—

(A) is designed to be permanently fixed in place to identify an exit; and

(B) consists of an electrically powered integral light source that—

(i) illuminates the legend ‘‘EXIT’’ and any directional indicators; and

(ii) provides contrast between the legend, any directional indicators, and the background.

(10) The term ‘‘low-voltage dry-type distribution transformer’’ means a distribution transformer that—

(A) has an input voltage of 600 volts or less;

(B) is air-cooled; and

(C) does not use oil as a coolant.

(11) The term ‘‘pedestrian module’’ means a light signal used to convey movement information to a pedestrian.

(12) The term ‘‘refrigerated bottled or canned beverage vending machine’’ means a commercial refrigerator that cools bottled or canned beverages and dispenses the bottled or canned beverages on payment.

(13) The term ‘‘standby mode’’ means the lowest power consumption mode, as established on an individual product basis by the Secretary, that—

(A) cannot be switched off or influenced by the user; and

(B) may persist for an indefinite time when an appliance is—

(i) connected to the main electricity supply; and

(ii) used in accordance with the instructions of the manufacturer.

(14) The term ‘‘torchiere’’ means a portable electric lamp with a reflector bowl that directs light upward to give indirect illumination.

(15) The term ‘‘traffic signal’’ means a standard 8-inch (200mm) or 12-inch (300mm) traffic signal indication that—

(A) consists of a light source, a lens, and all other parts necessary for operation; and

(B) communicates movement messages to drivers through red, amber, and green colors.

(16) The term ‘‘transformer’’ means a device consisting of 2 or more coils of insulated wire that transfers alternating current by electromagnetic induction from 1 coil to another to change the original voltage or current value.

(17) The term ‘‘unit heater’’ means a self-contained fan-type heater designed to be installed within the heated space.

(18) The term ‘‘unit heater’’ does not include a warm air furnace.

(19) The term ‘‘high intensity discharge lamp’’ means an electric-discharge lamp in which—

(i) the light-producing arc is stabilized by bulb wall temperature; and

(ii) the arc tube has a bulb wall loading in excess of 3 Watts/cm².

(20) The term ‘‘high intensity discharge lamp’’ includes mercury vapor, metal halide, and high-pressure sodium lamps described in subparagraph (A).

(21) The term ‘‘mercury vapor lamp’’ means a high intensity discharge lamp in which the major portion of the light is produced by radiation from mercury operating at a partial pressure in excess of 100,000 Pa (approximately 1 atm).

(22) The term ‘‘mercury vapor lamp’’ includes clear, phosphor-coated, and self-ballasted lamps described in subparagraph (A).

(23) The term ‘‘mercury vapor lamp ballast’’ means a device that is designed and marketed to start and operate mercury vapor lamps by providing the necessary voltage and current.

(24) The term ‘‘non-remote control’’ means a nonportable device that is suspended from a ceiling for circulating air via the rotation of fan blades.

(25) The term ‘‘ceiling fan light kit’’ means equipment designed to provide light from a ceiling fan that can be—

(A) integral, such that the equipment is attached to the ceiling fan prior to the time of retail sale; or

(B) attachable, such that at the time of retail sale the equipment is not physically attached to the ceiling fan, but may be included inside the ceiling fan at the time of sale or sold separately for subsequent attachment to the fan.


(27) TEST PROCEDURES.—Section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) is amended—

(A) in subsection (a), by striking—

(1) in paragraph (9), by adding at the end the following:

‘‘(9) Test procedures for illuminated exit signs shall be based on the test method used under section 322 of the Energy Policy and Conservation Act of the Environmental Protection Agency for illuminated exit signs. ’’

H6700

CONGRESSIONAL RECORD—HOUSE

July 27, 2005
10. (A) Test procedures for distribution transformers and low voltage dry-type distribution transformers shall be based on the ‘Standard Test Method for Measuring the Energy Consumption of Distribution Transformers’ prescribed by the National Electrical Manufacturers Association (NEMA TP 2-1998).

(B) The Secretary may review and revise the test procedures established under subparagraph (A).

(C) For purposes of section 368(a), the test procedures established under subparagraph (A) shall be considered to be the testing requirements prescribed by the Secretary under section 368(a)(1) for distribution transformers for which the Secretary determines that energy conservation standards would—

(i) be technologically feasible and economically justified; and

(ii) result in significant energy savings.

11. (A) Test procedures for traffic signal modules and pedestrian modules shall be based on the test method used under the Energy Star program of the Environmental Protection Agency, as in effect on the date of enactment of this paragraph.

(B) (i) Test procedures for on-base and compact fluorescent lamps shall be based on the test methods for compact fluorescent lamps used under the August 9, 2001, version of the Energy Star Program Requirements for Energy Conservation Standards under the August 9, 2001, version of the Energy Star Program Requirements for Distribution Transformers and Low Voltage Dry-Type Distribution Transformers. The Secretary shall—

(ii) review and revise the test procedures prescribed under subparagraph (A) to incorporate energy conservation standards that are based on energy efficiency test procedures prescribed under the Energy Star Program for Distribution Transformers and Low Voltage Dry-Type Distribution Transformers.

(C) Notwithstanding subparagraph (B), if manufacturing processes or testing technologies change, or if consumer purchasing habits change, the Secretary shall, after providing notice and an opportunity for public comment, revise the test procedures prescribed under subparagraph (B) to reflect the new processes or technologies which the Secretary determines are essential to achieving energy conservation standards.

12. (A) The Secretary shall designate performance levels that are the energy conservation standards for the energy use of products manufactured or imported beginning on the date that is 3 years after the date of enactment of this subsection, the Secretary shall prescribe, by rule, test procedures and energy conservation standards for energy use for—

(i) battery chargers and external power supplies; and

(ii) suggested product classes for energy conservation standards.

(B) Not later than 18 months after the date of enactment of this subsection, the Secretary shall hold a public workshop to discuss and receive comments on plans for developing energy conservation standards for energy use for battery chargers and external power supplies.

(C) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(D) (i) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(ii) The Secretary shall, after providing notice and an opportunity for public comment, prescribe, by rule, energy conservation standards for energy use for battery chargers and external power supplies.

(E) (i) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(ii) The Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

13. (A) The Secretary shall require, by rule, that energy conservation standards for energy use for—

(i) battery chargers and external power supplies; and

(ii) suggested product classes for energy conservation standards.

(B) Not later than 18 months after the date of enactment of this subsection, the Secretary shall hold a public workshop to discuss and receive comments on plans for developing energy conservation standards for energy use for battery chargers and external power supplies.

(C) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(D) (i) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(ii) The Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(E) (i) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.

(ii) The Secretary shall issue a final rule that determines the energy conservation standards for energy use for battery chargers and external power supplies.


(B) The standards described in subparagraph (A) shall apply to all central air conditioners manufactured or imported beginning on the date that is 3 years after the date of enactment of this subsection, the Secretary shall prescribe, by rule, test procedures and energy conservation standards for electricity used for purposes of circulating air through duct work.

(C) Notwithstanding any other provision of this Act, if the requirements of subsection (a) are met, the Secretary may consider and prescribe energy conservation standards or energy efficiency test procedures prescribed under the August 9, 2001, version of the Energy Star Program Requirements for Distribution Transformers and Low Voltage Dry-Type Distribution Transformers.

(D) The standards described in subparagraph (A) shall apply to all central air conditioners manufactured or imported beginning on the date that is 3 years after the date of enactment of this subsection, the Secretary shall prescribe, by rule, test procedures and energy conservation standards for electricity used for purposes of circulating air through duct work.

(E) (i) Not later than 3 years after the date of enactment of this subsection, the Secretary shall issue a final rule that determines the energy conservation standards for energy use for energy conservation standards.

(ii) The Secretary shall issue a final rule that determines the energy conservation standards for energy use for energy conservation standards.

(iii) The Secretary shall issue a final rule that determines the energy conservation standards for energy use for energy conservation standards.

17. (A) The Secretary shall prescribe, by rule, test procedures and energy conservation standards for energy use for refrigeration equipment and—

(B) The Secretary shall, on or after October 1, 2010, or after the date of enactment of this subsection, prescribe, by rule, test procedures and energy conservation standards for energy use for—

(i) refrigerated bottle or canned beverage vending machines.

(ii) vending machines.

(iii) ceiling fans and refrigerated beverage vending machines.

(iv) ceiling fans and refrigerated beverage vending machines.

(v) ceiling fans and refrigerated beverage vending machines.

18. (A) Not later than 18 months after the date of enactment of this subsection, the Secretary shall, after providing notice and an opportunity for public comment, prescribe, by rule, energy conservation standards for—

(i) refrigerated bottle or canned beverage vending machines.

(ii) vending machines.

(iii) ceiling fans and refrigerated beverage vending machines.

(iv) ceiling fans and refrigerated beverage vending machines.

(v) ceiling fans and refrigerated beverage vending machines.

19. (A) Not later than 3 years after the date of enactment of this subsection, the Secretary shall—

(i) prescribe, by rule, energy conservation standard for battery chargers and external power supplies.

(ii) assess the current and projected future market for battery chargers and external power supplies.
“(u) ILLUMINATED EXIT SIGNS.—An illuminated exit sign manufactured on or after January 1, 2006, shall meet the version 2.0 Energy Star Program performance requirements for illuminated exit signs adopted by the Environmental Protection Agency.

“(z) TORCHIERES.—A torchiere manufactured on or after January 1, 2006—

(1) shall consume not more than 190 watts of power; and

(2) shall not be capable of operating with lamps that total more than 190 watts.

“(aa) LOW VOLTAGE DRY-TYPE DISTRIBUTION TRANSFORMERS.—The efficiency of a low voltage dry-type distribution transformer manufactured on or after January 1, 2007, shall be the Class I Efficiency Levels for distribution transformers specified in table 4-2 of the ‘Guide for Determining Energy Efficiency for Distribution Transformers’ published by the National Electrical Manufacturers Association (NEMA TP–1–2002).

“(bb) MEDIUM BASE COMPACT FLUORESCENT LAMPS.—(1) A bare lamp and covered lamp (no reflector) medium base compact fluorescent lamp manufactured on or after January 1, 2006, shall meet the following requirements prescribed by the August 9, 2001, version of the Energy Star Program Requirements for Compact Fluorescent Lamps, Energy Star Eligibility Criteria, Energy-Efficiency Specification issued by the Environmental Protection Agency and Department of Energy:

(A) Minimum initial efficacy.

(B) Life at 100 percent efficacy.

(C) Lumen maintenance at 40 percent of rated lumen.

(D) Rapid cycle stress test.

(E) Ballast performance.

(2) The Secretary may, by rule, establish requirements for color quality (CRI), power factor, operating frequency, and maximum allowable start time based on the requirements prescribed by the August 9, 2001, version of the Energy Star Program Requirements for Compact Fluorescent Lamps.

(3) The Secretary may, by rule—

(A) revise the requirements established under paragraph (2); or

(B) establish other requirements, after consideration of Cost Comparisons, cost effectiveness, and consumer satisfaction.

“(cc) DEHUMIDIFIERS.—(1) Dehumidifiers manufactured on or after October 1, 2007, shall have an Energy Factor that meets or exceeds the following values:

<table>
<thead>
<tr>
<th>Product Capacity</th>
<th>Minimum Energy (pints/day)</th>
<th>Factor (Liters/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.00 or less</td>
<td>25.00 – 35.00</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>35.01 – 45.00</td>
<td>1.30</td>
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<tr>
<td></td>
<td>45.01 – 74.99</td>
<td>1.50</td>
</tr>
<tr>
<td>75.00 or more</td>
<td>75.00 or more</td>
<td>2.50</td>
</tr>
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</table>

“(dd) COMMERCIAL PRE Rinse SPRAY VALVES.—Commercial pre rinse spray valves manufactured on or after January 1, 2006, shall have a flow rate of not more than 1.6 gallons per minute.

“(ee) MERCURY VAPOR LAMP BALLASTS.—Mercury vapor lamp ballasts shall not be manufactured on or after January 1, 2006.

“(ff) CEILING FAN AND CEILING FAN LIGHT KITS.—(1) All ceiling fans manufactured on or after January 1, 2007, shall have the following features:

(i) Fan speed controls separate from any lighting controls.

(ii) Adjustable speed controls (either more than 1 speed or variable speed).

(iii) Adjustable speed controls (either more than 1 speed or variable speed).

(iv) The capability of reversible fan action, except for—

(1) fans sold for industrial applications;

(2) outdoor applications; and

(3) in cases in which safety standards would be violated by the use of the reversible mode.

(B) The Secretary may define the exceptions described in clause (iv) in greater detail, but shall not substantively expand the exceptions.

(2) Ceiling fan light kits with medium screw base sockets manufactured on or after January 1, 2007, shall be packaged with screw- based lamps to fill all screw base sockets.

(B) The screw-based lamps required under subparagraph (A) shall have—

(i) meet the Energy Star Program Requirements for Compact Fluorescent Lamps, version 3.0, issued by the Department of Energy;

(ii) use only compact fluorescent lamps that have lumens per watt performance at least equivalent to comparably configured compact fluorescent lamps meeting the Energy Star Program Requirements described in clause (i).

(3) Ceiling fan light kits with pin-based sockets for fluorescent lamps manufactured on or after January 1, 2007, shall—

(A) meet the Energy Star Program Requirements for Residential Light Fixtures version 4.0 issued by the Environmental Protection Agency;

(B) be packaged with lamps to fill all sockets.

(3) By January 1, 2007, the Secretary shall consider and issue requirements for any ceiling fan lighting kit other than those covered in paragraphs (2) and (3), including can- delaabra screw base lamps.

(4) The requirements issued under subparagraph (A) shall be effective for products manufactured 2 years after the date of the final rule.

(B) If the Secretary fails to issue a final rule by the date specified in subparagraph (B), any type of ceiling fan lighting kit described in subparagraph (A) that is manufactured after January 1, 2009—

(i) shall not be capable of operating with lamps that total more than 190 watts; and

(ii) shall include the lamps described in clause (i) in the ceiling fan lighting kits.

“(gg) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, energy efficiency or energy use standards for electrically powered and lighted Pedestrian Traffic Control Signal Indicators.

“(hh) Pedestrian Traffic Control Signal Indicators—(A) shall be installed with compatible, electrically connected signal control interface devices and conflict monitoring systems.

(B) UNIT HEATERS.—A unit heater manufactured on or after the date that is 2 years after the date of enactment of this subsection shall—

(1) be equipped with an intermittent ignition device; and

(2) have power venting or an automatic flue damper.

“(ii) shall not be capable of operating with lamps that total more than 190 watts; and

(3) be manufactured on or after January 1, 2006, shall have an Energy Factor that meets or exceeds the following values:

<table>
<thead>
<tr>
<th>Product Capacity</th>
<th>Minimum Energy (pints/day)</th>
<th>Factor (Liters/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.00 or less</td>
<td>25.00 – 35.00</td>
<td>1.30</td>
</tr>
<tr>
<td></td>
<td>35.01 – 45.00</td>
<td>1.40</td>
</tr>
<tr>
<td></td>
<td>45.01 – 54.00</td>
<td>1.50</td>
</tr>
<tr>
<td></td>
<td>54.01 – 74.99</td>
<td>1.60</td>
</tr>
<tr>
<td>75.00 or more</td>
<td>75.00 or more</td>
<td>2.50</td>
</tr>
</tbody>
</table>

“(jj) In issuing the standards under subparagraph (A), the Secretary shall consider, if the requirements of subsections (o) and (p) are met, and setting different standards for, certain product classes for which the primary standards are not technically feasible or economically justified.

“(kk) Establishing separate exempted product classes for highly decorative fans for which air movement performance is a secondary design feature.

“(ll) Section 327 shall apply to the products covered in paragraphs (1) through (4) beginning on the date of enactment of this subsection, except that any State or local standard or requirement for ceiling fans prescribed or enacted before the date of enactment of this subsection shall not be preempted until the labeling requirements applicable to ceiling fans established under section 327 take effect.

“(mm) Application Date.—Section 327 applies—

(1) to products for which energy conservation standards are to be established under subsection (l), (u), or (v) beginning on the date on which the final rule is issued by the Secretary, except that any State or local standard prescribed or enacted for the product before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (l), (u), or (v) for the product takes effect; and

(2) to products for which energy conservation standards are established under subsections (u) through (ff) on the date of enactment of those subsections, except that any State or local standard prescribed or enacted before the date of enactment of those subsections shall not be preempted until the energy conservation standards established under subsections (u) through (ff) take effect.

“(nn) General Rule of Preemption.—Section 327(c) of the Energy Policy and Conservation Act (42 U.S.C. 6291(c)) is amended—

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

(2) in paragraph (6), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(T)(A) is a regulation concerning standards for commercial pre rinse spray valves adopted by the California Energy Commission before January 1, 2005; or

“(B) is an amendment to a regulation described in subparagraph (A) that was developed or adopted by California in response to changes in American Society for Testing and Materials Standard F2324;

“(C) is a regulation concerning standards for pedestrian modules adopted by the California Energy Commission before January 1, 2005; or

“(D) is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations to changes in the Institute for Transportation Engineers standards and entitled Performance Specification: Pedestrian Traffic Control Signal Indications.”.

“SEC. 136. ENERGY CONSERVATION STANDARDS FOR COMMERCIAL EQUIPMENT.

(a) Definition of Energy Policy and Conservation Act. (42 U.S.C. 6311) is amended—
(2) very large commercial package air conditioning and heating equipment.  

(E) Commercial refrigerators, freezers, and refrigerator-freezers.  

(F) Automatic commercial ice makers.  

(G) Remote condensing unit equipment operating as an integrated unit, except that 'remote condensing unit equipment' does not include equipment that is rated—  

(i) at or above 135,000 Btu per hour (cooling capacity); and  

(ii) 240,000 Btu per hour (cooling capacity);  

(H) The term ‘large commercial package air conditioning and heating equipment’ means commercial package air conditioning and heating equipment that has an annualized seasonal energy efficiency ratio of 10.2 (at a high temperature rating of 47 degrees F db).  

(i) 10.4 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(ii) 9.5 for equipment with no heating or electric resistance heating; and  

(iii) 9.8 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(J) The term ‘electric water heating equipment’ means air-cooled electric water heating equipment at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be—  

(i) 11.2 for equipment with no heating or electric resistance heating; and  

(ii) 11.0 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(K) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be—  

(i) 11.0 for equipment with no heating or electric resistance heating; and  

(ii) 10.8 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(L) Large commercial package air conditioning and heating equipment manufactured on or after January 1, 2010, shall meet the following standards—  

(i) 10.5 for equipment with no heating or electric resistance heating;  

(ii) 10.4 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(M) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be—  

(i) 10.5 for equipment with no heating or electric resistance heating; and  

(ii) 10.4 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(N) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 240,000 Btu per hour (cooling capacity) and less than 65,000 Btu per hour (cooling capacity) shall be—  

(i) 10.5 for equipment with no heating or electric resistance heating; and  

(ii) 10.4 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(O) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be—  

(i) 10.5 for equipment with no heating or electric resistance heating; and  

(ii) 10.4 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).  

(P) The term ‘self-contained condensing unit’ means a factory-made assembly of refrigerating components designed to compress and liquefy a specific refrigerant that is remotely located from the refrigerated equipment and consists of 1 or more refrigeration compressors, refrigerant condensers, condenser fans and motors, and factory supplied accessories.
“(c) COMMERCIAL REFRIGERATORS, FREEZERS, AND REFRIGERATOR-FREEZERS.—(1) In this subsection:

“(A) The term ‘AV’ means the adjusted volume (ft³) (as defined in the Association of Home Appliance Manufacturers Standard HRFI-1979).

“(B) The term ‘V’ means the chilled or frozen compartment volume (ft³) (as defined in the Association of Home Appliance Manufacturers Standard HRFI-1979).

“(C) Other terms have such meanings as may be established by the Secretary, based on industry-accepted definitions and practice.

“(2) Each commercial refrigerator, freezer, and refrigerator-freezer with a self-contained condensing unit designed for holding temperature applications manufactured on or after January 1, 2010, shall have a daily energy consumption (in kilowatt hours per day) that does not exceed the following:

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Type of Cooling</th>
<th>Harvest Rate (lbs ice/24 hours)</th>
<th>Maximum Energy Use (kWh/100 lbs Ice)</th>
<th>Maximum Condenser Water Use (gal/100 lbs Ice)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerators with doors</td>
<td>Water</td>
<td>&lt;500</td>
<td>7.80-0.0055H</td>
<td>200-0.022H</td>
</tr>
<tr>
<td>Freezers with doors</td>
<td></td>
<td>≥500 and &lt;1436</td>
<td>3.58-0.0011H</td>
<td>200-0.022H</td>
</tr>
<tr>
<td>Freezers with transparent doors</td>
<td></td>
<td>≥1436</td>
<td>4.0</td>
<td>200-0.022H</td>
</tr>
<tr>
<td>Ice Making Head</td>
<td>Air</td>
<td>&lt;450</td>
<td>10.26-0.0086H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing (but not remote compresor)</td>
<td>Air</td>
<td>&lt;1000</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing and Remote Compressor</td>
<td>Air</td>
<td>&lt;934</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Water</td>
<td>&lt;200</td>
<td>11.40-0.019H</td>
<td>191-0.0315H</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Air</td>
<td>≤200</td>
<td>7.60</td>
<td>191-0.0315H</td>
</tr>
</tbody>
</table>

H = Harvest rate in pounds per 24 hours. Water use is for the condenser only and does not include potable water used to make ice.

“(2)(A) The Secretary may issue, by rule, standard levels for other types of commercial refrigerators, freezers, and refrigerator-freezers without doors, and remote condensing commercial refrigerators, freezers, and refrigerator-freezers, with the standard levels effective for equipment manufactured on or after January 1, 2012.

“(B) The Secretary may issue, by rule, standard levels for other types of commercial refrigerators, freezers, and refrigerator-freezers not covered by paragraph (2)(A) with the standard levels effective for equipment manufactured 3 or more years after the date on which the final rule is published.

“(3)(A) Not later than January 1, 2013, the Secretary shall declare whether the standards established under this subsection should be amended.

“(B) Not later than 3 years after the effective date of any amended standards under subparagraph (A) or the publication of a final rule determining that the standards should not be amended, the Secretary shall issue a final rule to determine whether the standards established under this subsection or the amended standards, as applicable, should be amended.

“(C) If the Secretary issues a final rule under subparagraph (A) or (B) establishing amended standards, the final rule shall provide that the amended standards apply to products manufactured on or after the date that is—

“(i) 3 years after the date on which the final amended standard is published; or

“(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final rule is published.

“(D) STANDARDS FOR AUTOMATIC COMMERCIAL ICE MAKERS.—Section 342 of the Energy Policy and Conservation Act (42 U.S.C. 6313) (as amended by subsection (c)) is amended by adding at the end the following:

“(4) AUTOMATIC COMMERCIAL ICE MAKERS.—(1) Each automatic commercial ice maker that produces cube type ice with capacities between 50 and 2500 pounds per 24-hour period when tested according to the test standard established in section 343(a)(7) and is manufactured on or after January 1, 2010, shall meet the following standard levels:

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Type of Cooling</th>
<th>Harvest Rate (lbs ice/24 hours)</th>
<th>Maximum Energy Use (kWh/100 lbs Ice)</th>
<th>Maximum Condenser Water Use (gal/100 lbs Ice)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air</td>
<td>&lt;1000</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Air</td>
<td>≥1000</td>
<td>3.10</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Air</td>
<td>&lt;934</td>
<td>8.85-0.0038H</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Water</td>
<td>200</td>
<td>11.40-0.019H</td>
<td>191-0.0315H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Water</td>
<td>200</td>
<td>7.60</td>
<td>191-0.0315H</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

H = Harvest rate in pounds per 24 hours. Water use is for the condenser only and does not include potable water used to make ice.
(A) A final rule issued under paragraph (2) or (3) shall establish standards at the maximum level that is technically feasible and economically justified, as provided in subsections (o) and (p) of section 325.

(e) STANDARDS FOR COMMERCIAL CLOTHES WASHERS.—(1) Each commercial clothes washer manufactured on or after January 1, 2007, shall have—

(1) a modified energy factor of at least 1.25; and

(2) a water factor of not more than 9.5.

(B) Not later than January 1, 2010, the Secretary shall publish a final rule to determine whether the standards established under paragraph (1) should be amended.

(ii) The rule published under clause (i) shall provide that any amended standard shall apply to products manufactured 3 years after the date on which the final amended standard is published.

(f) TEST PROCEDURES.—Section 343 of the Energy Policy and Conservation Act (42 U.S.C. 6314) is amended—

(1) in subsection (a)—

(A) in paragraph (4)—

(i) in subparagraph (A), by inserting “very large commercial package air conditioning and heating equipment,” after “large commercial package air conditioning and heating equipment,”; and

(ii) in subparagraph (B), by inserting “very large commercial package air conditioning and heating equipment,” after “large commercial package air conditioning and heating equipment,”; and

(B) by adding at the end the following:

“(6)(A)(i) In the case of commercial refrigerators, freezers, and refrigerator-freezers, the test procedures shall—

(I) The test procedures determined by the Secretary to be generally accepted industry testing procedures; or

(ii) procedures developed or recognized by the ASHRAE or by the American National Standards Institute.

(ii) In the case of self-contained refrigerators, freezers, and refrigerator-freezers to which standards are applicable under paragraphs (2) and (3) of section 342(c), the initial test procedures shall be the ASHRAE 117 test procedure that is in effect on January 1, 2005.

(B) In the case of commercial refrigerators, freezers, and refrigerator-freezers with doors covered with insulating material adopted in February 2002, by the California Energy Commission, the rating temperatures shall be the integrated average temperature of 38 degrees F (± 2 degrees F) for refrigerator compartments and 9 degrees F (± 2 degrees F) for freezer compartments.

(C) The Secretary shall issue a rule in accordance with paragraphs (2) and (3) to establish the approval of rating air conditions for the other products for which standards will be established under section 342(c)(4).

(D) In establishing the appropriate test temperature, subparagraph (A) of section 342(c)(4), the Secretary shall follow the procedures and meet the requirements under section 323(e).

(E)(i) Not later than 180 days after the publication of the final rule establishing the ASHRAE 117 test procedure for commercial refrigerators, freezers, and refrigerator-freezers is amended, the Secretary shall, by rule, amend the test procedure for the product as necessary to ensure that the test procedure is consistent with the amended ASHRAE 117 test procedure. The Secretary shall, by rule, and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures under paragraphs (2) and (3).

(ii) If the Secretary determines that 180 days is an insufficient period during which to review and adopt the amended test procedure or rating procedures in subparagraph (A), the Secretary shall publish a notice in the Federal Register stating the intent of the Secretary to wait not longer than 1 additional year before putting into effect an amended test procedure.

(F)(i) If a test procedure other than the ASHRAE 117 test procedure is approved by the American National Standards Institute, the Secretary shall, by rule—

(I) review the relative strengths and weaknesses of the new test procedure relative to the ASHRAE 117 test procedure; and

(II) based on that review, adopt 1 new test procedure for use in the standards program.

(ii) If a new test procedure is adopted under clause (i)—

(I) section 323(e) shall apply; and

(II) subparagraph (B) shall apply to the adopted test procedure.

(3)(A) In the case of automatic commercial ice makers, the test procedures shall be the test procedures specified in Air-Conditioning and Refrigeration Institute Standard 810-2003, as in effect on January 1, 2015.

(B) If Air-Conditioning and Refrigeration Institute Standard 810-2003 is amended, the Secretary shall amend the test procedures established in subparagraph (A), unless the Secretary determines, by rule, published in the Federal Register, supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures under paragraphs (2) and (3).

(c) If the Secretary issues a rule under clause (i) containing a determination described in paragraph (2) and (3)—

(B) in paragraph (8), by striking the period at the end and inserting “should be preempted by the standards established under subparagraph (A) and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures under paragraphs (2) and (3).”

(d) In the first sentence of subsection (b)(1), by striking “part B” and inserting “part A”;

and

by striking at the end the following:

“(d)(1) Except as provided in paragraphs (2) and (3), section 327 shall apply with respect to commercial refrigerators, freezers, and refrigerator-freezers to the same extent and in the same manner as section 327 applies under part A on the date of enactment of this subsection.

(2) Any State or local standard issued before the date of enactment of this subsection shall not be preempted until the standards established under section 324(a)(9) take effect on January 1, 2010.

(3)(A) Subsections (a), (b), and (d) of section (a) shall apply to products manufactured after the date of publication of the final rule by the Secretary, except that any State or local standard issued before the date of enactment of this subsection shall not be preempted until the standards established under paragraph (2) and (3) of section 324(c) take effect.

(4) In applying sections 327 in accordance with subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(5)(A) Not later than January 1, 2010, the Secretary shall publish a final rule to determine whether the standards established under paragraph (1) should be amended.

(i) The rule published under clause (i) shall provide that any amended standard shall apply to products manufactured 3 years after the date on which the final amended standard is published.

(B)(i) In the case of automatic commercial refrigerators, freezers, and refrigerator-freezers to which standards are applicable under paragraphs (2) and (3) of section 342(c) to the same extent and in the same manner as those provisions apply under part A on the date of publication of the final rule by the Secretary, except that any State or local standard issued before the date of publication of the final rule by the Secretary shall not be preempted until the standards established under paragraph (2) and (3) of section 324(c) take effect.

(2) In applying section 327 in accordance with subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(A) Section 327 shall apply to commercial refrigerators, freezers, and refrigerator-freezers for which standards are established under section 342(c)(4) to the same extent and in the same manner as the provisions apply under part A on the date of publication of the final rule by the Secretary.

(B) Any State or local standard issued before the date of publication of the final rule by the Secretary shall not be preempted by the standards established under part A on the date of enactment of this subsection.

(C) As part of certification, information on equipment energy use and interior volume shall be made available to the Secretary.

(D) Except as provided in clause (ii), section 327 shall apply to automatic commercial...
ice makers for which standards have been estab-
lished under section 342(d)(1) to the same extent and in the same manner as the section applies under part A on the date of enactment of this subsection.

“(ii) Not later than 2 years after the date of enactment of this subparagraph, the Commission shall complete the rulemaking initiated under clause (i).

“(c)(1) Not more than 18 months after the date of enactment of this subparagraph, the Commission shall issue by rule, in accordance with this section, labeling requirements for the electricity use and efficiency of ceiling fans sold or distributed in commerce, including requirements on the use of labels for ceiling fans.

“(ii) The rule issued under clause (i) shall apply to products manufactured after the later of—

“(I) January 1, 2009; or

“(II) the date that is 60 days after the final rule is issued.”

“(b) RULEMAKING ON LABELING FOR ADDI-
tIONAL PRODUCTS.—Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is amended by adding at the end the following:

“(1)(A) For products described in subsections (a) through (f) of section 325, after a test procedure has been prescribed under section 323, the Secretary or the Commission, as appropriate, may prescribe, by rule, under this section labeling requirements for the products.

“(B) In the case of products to which TP–1 standards under section 325(g)(3) apply, labeling requirements shall be based on the ‘Standard test procedure’ prescribed under section 325(g)(3) as in effect on the date of enactment of this paragraph.

“(2) In the case of dehumidifiers covered under section 325(g)(3), no further action shall require an ‘Energy Guide’ label.”

SEC. 188. INTERMITTENT ESCALATOR STUDY.

“(a) IN GENERAL.—The Administrator of General Services shall conduct a study on the advantages and disadvantages of employing intermittent escalators in the United States.

“(b) CONTENTS.—Such study shall include an analysis:

“(1) the energy end-cost savings derived from the use of intermittent escalators;

“(2) the cost savings derived from reduced maintenance requirements; and

“(3) such other issues as the Administrator considers appropriate.

“(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study.

“(d) DEFINITION.—For purposes of this section, the term ‘intermittent escalator’ means an escalator that remains in a stationary position until it automatically operates at the approach of a passenger, returning to a stationary position after the passenger has passed.

SEC. 189. ENERGY EFFICIENT ELECTRIC AND NAT-
gURAL GAS UTILITIES STUDY.

“(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the National Association of Regulatory Utility Commissioners and the National Association of State Energy Officials, shall conduct a study of regional policies that promote cost-effective programs to reduce energy consumption (including energy efficiency programs) that are carried out by—

“(1) utilities that are subject to State regulation; and

“(2) nonregulated utilities.

“(b) CONSIDERATION.—In conducting the study under subsection (a), the Secretary shall take into consideration—

“(1) performance standards for achieving energy use and efficiency reduction targets;

“(2) funding sources, including rate sur-
charges; and

“(3) infrastructure planning approaches (including energy service programs and infrastructure improvements);

“(4) the costs and benefits of consumer education programs conducted by State and local government agencies; and

“(5) methods of—

“(A) removing disincentives for utilities to im-
plement energy efficiency programs; (B) encouraging utilities to undertake voluntary energy efficiency programs; and

“(C) ensuring appropriate returns on energy efficiency programs.

“(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that includes—

“(1) the findings of the study; and

“(2) any recommendations of the Secretary, including recommendations on model policies to promote energy efficiency programs.

SEC. 140. ENERGY EFFICIENCY PILOT PROGRAM.

“(a) IN GENERAL.—The Secretary shall estab-
lish a pilot program under which the Secretary provides financial assistance to at least 3, but not more than 7, States to carry out pilot projects in the States for—

“(1) planning and adopting statewide programs that encourage, for each year in which the pilot project is carried out—

“(A) a reduction in energy use and

(B) reduction of consumption of electricity or natural gas in the State by at least 0.7 percent, as compared to a baseline determined by the Secretary for the period preceding the implementa-
tion of the program; or

“(2) for any State that has adopted a statewide program under the date of enactment of this Act, activities that reduce energy consumption in the State by expanding and improving the program.

“(b) VERIFICATION.—A State that receives fi-
nancial assistance under subsection (a)(1) shall submit to the Secretary independent verification of any energy savings achieved through the statewide program.

“(c) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010, to remain available until expended.

SEC. 141. REPORT ON FAILURE TO COMPLY WITH DEADLINES FOR NEW OR REVISED ENERGY CONSERVATION STANDARDS.

“(a) INITIAL REPORT.—The Secretary shall submit a report to Congress regarding each new or revised energy conservation or water use standard which the Secretary has failed to issue in conformance with the deadlines established in the Energy Policy and Conservation Act. Such report shall state the reasons why the Secretary has failed to comply with the deadline for issuances of the new or revised standard and set forth the Secretary’s plan for expeditiously pre-
scribing such new or revised standard. The Sec-

“Tary’s initial report shall be submitted not later than 6 months following enactment of this Act and subsequent reports shall be submitted within 6 months following the Secretary’s determination that additional deadlines for issuance of new or revised standards have been missed.

“(b) IMPLEMENTATION REPORT.—Every 6 months after the submission of a report under subsection (a) until the adoption of a new or revised standard described in such report, the Secretary shall submit to Congress an imple-
mentation report describing the Secretary’s progress in implementing the Secretary’s plan or the issuance of the new or revised standard.

Subtitle D—Public Housing

SEC. 151. PUBLIC HOUSING CAPITAL FUND.

Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended—

“(a) in subsection (d)(1)—

“(A) in subparagraph (I), by striking ‘and’ at the end;

“(B) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

“(C) by striking at the end the following new subparagraphs:

“(K) improvement of energy and water-use ef-
ficiency by installing fixtures and fittings that promote energy efficiency; and

“(L) increase in the American Council of Engineering/Architects-American National Standards Insti-
tutes standards A112.19.2–1998 and A112.18.1—
2000, or any revision thereto, applicable at the time of installation, and by increasing energy efficiency and water conservation by such other means as the Secretary determines are appropriate.

“(L) integrated utility management and capital planning to maximize energy conservation and efficiency measures;” and

(2) in the U.S.C. 1602).

(A) by striking “The” and inserting the following:

(i) IN GENERAL.—The; and

(B) in paragraph 9 at the end the following:

(ii) THIRD PARTY CONTRACTS.—Contracts described in clause (i) may include contracts for equipment conversions to less costly utility sources (such as resident-paid utilities), and adjustments to freeze base year consumption, including systems repaired to meet applicable building and safety codes and adjustments for energy rates increased by rehabilitation.

(iii) TERM OF CONTRACT.—The total term of a contract described in clause (i) 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. 152. ENERGY-EFFICIENT APPLIANCES.

In purchasing appliances, a public housing agency shall purchase energy-efficient appliances and Federal Government retrofits and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), and shall submit an update every 2 years thereafter on progress in implementing the strategy.

TITLE II—RENEWABLE ENERGY

Subtitle A—General Provisions

SEC. 201. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) RESOURCE ASSESSMENT.—Not later than 6 months after the date of enactment of this Act, and each year thereafter, the Secretary shall review the available assessments of renewable energy resources within the United States, including solar, wind, biomass, ocean (including tidal, wave, current, and thermal), and hydroelectric energy resources, and undertake new assessments as necessary, taking into account changes in market conditions, available technologies, and other factors.

(b) CONTENTS OF REPORTS.—Not later than 1 year after the date of enactment of this Act, and each year thereafter, the Secretary shall publish a report based on the assessment under subsection (a). The report shall contain:

(1) a detailed inventory describing the available amount and characteristics of the renewable energy resources; and

(2) such other information as the Secretary believes would be useful in developing such renewable energy resources, including descriptions of surrounding terrain, population and load centers, nearby energy infrastructure, location of energy and water resources, and available estimates of the costs needed to develop each resource, together with an identification of any barriers to providing adequate transmission for remote sources of renewable energy resources to current and emerging markets, recommendations for removing or addressing such barriers, and ways to provide access to the grid that do not unfairly disadvantage renewable or other energy producers.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated to the Secretary $10,000,000 for each of fiscal years 2006 through 2010.

SEC. 202. RENEWABLE ENERGY PRODUCTION INCENTIVE.

(a) INCENTIVE AMOUNTS.—Section 1212(a) of the Energy Policy Act of 1992 (42 U.S.C. 13317(a)) is amended—

(1) by striking the last sentence; and

(2) by designating second, third and fourth sentences as paragraphs (1), (2), and (3), respectively.

(iii) 6 percent of appropriated funds for the fiscal year to facilities that use solar, wind, ocean (including tidal, wave, current, and thermal), or other renewable energy resources; and

(iv) 40 percent of appropriated funds for the fiscal year to other projects.

“(ii) After submitting to Congress an explanation of the reasons for the alteration, the Secretary shall submit an updated percentage requirements of subparagraph (A).”;

(b) QUALIFIED RENEWABLE ENERGY FACILITIES.—Section 1212(b) of the Energy Policy Act of 1992 (42 U.S.C. 13317(b)) is amended—

(1) by striking “a State or any political” and all that follows through “nonprofit electric cooperatives” and inserting “a not-for-profit electric cooperative, a public utility described in section 115 of the Internal Revenue Code of 1986, a State, Commonwealth, territory, or possession of the United States, or the District of Columbia, an Indian tribal government or subdivision thereof, or a Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)),”;

(2) by inserting “(including tidal, wave, current, and thermal),” after “wind, biomass,”;

(c) TERMINATION OF AUTHORITY.—Section 1212(f) of the Energy Policy Act of 1992 (42 U.S.C. 13317(f)) is amended by striking “through 2012.”

SEC. 203. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—The President, acting through the Secretary, shall ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the Federal Government consumes during any fiscal year, the following amounts shall be renewable energy:

(1) Not less than 3 percent in fiscal years 2007 through 2009;

(2) Not less than 5 percent in fiscal years 2010 through 2012.

(3) Not less than 7.5 percent in fiscal year 2013 and each fiscal year thereafter.

(b) DEFINITIONS.—In this section:

(1) BIOMASS.—The term “biomass” means any lignin waste material that is segregated from other waste materials and is determined to be biomass by the Administrator of the Environmental Protection Agency and any solid, nonhazardous, cellulosic material that is derived from—

(i) the following list of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, or nonmerchantable material; (ii) solid wood waste materials, including wood pellets, subproducts, and construction and demolition wastes (other than pressure-treated, chemically-treated, or painted
wood wastes), and landscape or right-of-way tree trimmings, but not including municipal solid waste (garbage), gas derived from the biodegradation of solid waste, or paper that is commonly recycled.

(C) agriculture wastes, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues, and livestock waste or residue.

(D) a plant that is grown exclusively as a fuel for the production of electricity.

(2) RENEWABLE ENERGY.—The term "renewable energy" means electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydropower project.

(c) CALCULATION.—For purposes of determining compliance with the requirements of this section, the amount of renewable energy shall be doubled if—

(1) the renewable energy is produced and used on-site at a Federal facility;

(2) the renewable energy is produced on Federal lands and used at a Federal facility; or


(d) Not later than April 15, 2007, and every 2 years thereafter, the Secretary shall provide a report to Congress on the progress of the Federal Government in meeting the goals established by this section.

SEC. 204. USE OF PHOTOVOLTAIC ENERGY IN PUBLIC BUILDINGS.

(a) In General.—Subchapter VI of chapter 31 of title 42, United States Code, is amended by adding at the end the following:

"§3177. Use of photovoltaic energy in public buildings

(a) PHOTOVOLTAIC ENERGY COMMERCIALIZATION PROGRAM.—

"(1) by General.—The Administrator of General Services may establish a photovoltaic energy commercialization program for the procurement and installation of photovoltaic solar electric systems for electric production in new and existing public buildings.

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

"(A) To promote the growth of a commercially viable photovoltaic industry to make this energy system available to the general public as an option which can reduce the national consumption of fossil fuel.

"(B) To reduce the fossil fuel consumption and costs of the Federal Government.

"(C) To establish the goal of installing solar energy systems in 20,000 Federal buildings by 2010, as contained in the Federal Government’s Million Solar Roof Initiative of 1997.

"(3) ACQUISITION OF PHOTOVOLTAIC SOLAR ELECTRIC SYSTEMS.—

"(A) In General.—The program shall provide for the acquisition of photovoltaic solar electric systems and associated storage capability for use in public buildings.

"(B) ACQUISITION PROCEDURES.—The acquisition of photovoltaic solar electric systems shall be at a level substantial enough to allow use of low-cost production techniques with at least 150 megawatts (peak) of electric power acquired during the 5 years of the program.

"(4) ADMINISTRATION.—The Administrator shall administer the program and shall—

"(A) adopt and implement regulations as may be appropriate to monitor and assess the performance and operation of photovoltaic solar electric systems installed pursuant to this subsection;

"(B) develop innovative procurement strategies for the acquisition of such systems; and

"(C) transmit an annual report on the results of the program.

(b) PHOTOVOLTAIC SYSTEMS EVALUATION PROGRAM.—

"(1) In General.—Not later than 60 days after the date of enactment of this section, the Administrator shall establish a photovoltaic solar energy commercialization program to evaluate such photovoltaic solar energy systems as are required in public buildings.

"(2) PROGRAM REQUIREMENT.—In evaluating photovoltaic solar energy systems under the program, the Administrator shall ensure that such systems reflect the most advanced technology.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) PHOTOVOLTAIC ENERGY COMMERCIALIZATION PROGRAM.—There are authorized to be appropriated for each fiscal year 2006 through 2010, such sums as may be necessary.

"(2) PHOTOVOLTAIC SYSTEMS EVALUATION PROGRAM.—There are authorized to be appropriated for each fiscal year 2006 through 2010, such sums as may be necessary.

"(d) CONFORMING AMENDMENT.—The table of sections for the Energy Conservation Policy Act is amended by adding after the item relating to section 569 the following:

"Sec. 570. Use of photovoltaic energy in public buildings.

SEC. 205. BIOBASED PRODUCTS.

Section 9002(c)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102(c)(1)) is amended by inserting "such term as defined in sections 569 and 415(c) of the Energy Conservation and Production Act (42 U.S.C. 6865(c))" after "biomass".

(b) DISTRICT HEATING AND COOLING PROGRAMs.—Section 172 of the Energy Conservation and Production Act of 1992 (42 U.S.C. 61341 note) is amended—

"(1) in subsection (a)—

"(A) by striking "and" at the end of paragraph (3); and

"(B) by striking the period at the end of paragraph (4) and inserting ";");

"(2) in subsection (b), by striking "this Act" and inserting "the Energy Policy Act of 2005".

(c) ESTABLISHMENT.—The Secretary shall establish a program providing rebates for consumers for expenditures made for the installation of renewable energy systems in connection with a dwelling unit or small business.

(2) AMOUNT OF REBATE.—Rebates provided under the program established under paragraph (1) shall be in an amount not to exceed the lesser of—

"(A) 25 percent of the expenditures described in paragraph (1) made by the consumer; or

"(B) $3,000.

(3) DEFINITION.—For purposes of this subsection, the term "renewable energy system" has the meaning given in section 569 of the Energy Conservation and Production Act (42 U.S.C. 6865(c)), as added by subsection (a)(3) of this section.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section—

"(A) $150,000,000 for fiscal year 2006; and

"(B) $150,000,000 for fiscal year 2007.

"(C) $200,000,000 for fiscal year 2008.

"(D) $250,000,000 for fiscal year 2009.

"(E) $250,000,000 for fiscal year 2010.

"(F) $250,000,000 for fiscal year 2011.

"(G) $250,000,000 for fiscal year 2012.

"(H) $250,000,000 for fiscal year 2013.

"(I) $250,000,000 for fiscal year 2014.

"(J) $250,000,000 for fiscal year 2015.

"(K) $250,000,000 for fiscal year 2016.

"(L) $250,000,000 for fiscal year 2017.

"(M) $250,000,000 for fiscal year 2018.

"(N) $250,000,000 for fiscal year 2019.

"(O) $250,000,000 for fiscal year 2020.

"(P) $250,000,000 for fiscal year 2021.

"(Q) $250,000,000 for fiscal year 2022.

"(R) $250,000,000 for fiscal year 2023.

"(S) $250,000,000 for fiscal year 2024.

"(T) $250,000,000 for fiscal year 2025.

"(U) $250,000,000 for fiscal year 2026.

"(V) $250,000,000 for fiscal year 2027.

"(W) $250,000,000 for fiscal year 2028.

"(X) $250,000,000 for fiscal year 2029.

"(Y) $250,000,000 for fiscal year 2030.

"(Z) $250,000,000 for fiscal year 2031.

"(aa) RENEWABLE FUEL INVENTORY.—Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit to Congress a report containing—

"(1) an inventory of renewable fuels available for consumers; and
SEC. 207. INSTALLATION OF PHOTOVOLTAIC SYSTEMS.

There is authorized to be appropriated to the Department of Energy for the installation of photovoltaic systems for the headquarters building of the Department of the Interior of not more than $20,000,000 for each of fiscal years 2006 through 2012.

SEC. 208. SUGAR CANE ETHANOL PROGRAM.

(a) DEFINITION OF PROGRAM.—In this section, the term ‘program’ means the Sugar Cane Ethanol Program established by subsection (b).

(b) ESTABLISHMENT.—There is established within the Environmental Protection Agency a program to be known as the ‘Sugar Cane Ethanol Program’.

(c) PROJECT.—

(1) IN GENERAL.—Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall establish a project that is—

(A) carried out in multiple States—

(i) in which each of which is produced cane sugar that is eligible for loans under section 106 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272), or a similar subsequent authority; and

(ii) at the option of each such State, that have an incentive program that requires the use of ethanol in the State; and

(B) designed to study the production of ethanol from cane sugar, sugarcane, and sugarcane byproducts.

(2) REQUIREMENTS.—A project described in paragraph (1) shall—

(A) be limited to sugar producers and the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii, divided equally among the States, to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugarcane byproducts;

(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and

(C) not last more than 3 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000, to remain available until expended.

SEC. 209. RURAL AND REMOTE COMMUNITY ELECTRIFICATION GRANTS.

The Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended in title VI by adding at the end the following:

‘‘SEC. 609. RURAL AND REMOTE COMMUNITIES ELECTRIFICATION GRANTS.’’

(a) DEFINITIONS.—In this section—

(1) the term ‘eligible grantee’ means a local government or municipality, peoples’ utility district, irrigation district, and cooperative, non-profit, or limited-dividend association in a rural area.

(2) the term ‘incremental hydropower’ means additional generation achieved from increased efficiency after January 1, 2005, at a hydropower facility that was placed in service before January 1, 2005.

(3) the term ‘renewable energy’ means electricity generated from—

(A) a renewable energy source; or

(B) hydrogen, other than hydrogen produced from a fossil fuel, that is produced from a renewable energy source.

(4) the term ‘renewable energy source’ means—

(A) wind;

(B) ocean waves; and

(C) biomass;

(5) the term ‘solar’ means—

(A) solar power;

(B) solar thermal or other similar energy systems; or

(C) photovoltaic devices;

(6) the term ‘wind’ means—

(A) wind turbines; or

(B) wind systems;

(7) the term ‘wind farm’ means—

(A) wind turbines; or

(B) wind systems.

(b) ELIGIBLE GRANTS.—Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall make grants under this section to eligible grantees for the purposes of—

(1) increasing energy efficiency, siting or upgrading transmission and distribution lines serving rural areas; or

(2) providing or modernizing electric generation facilities that serve rural areas.

(c) ELIGIBILITY.—The Secretary shall make grants under this section based on a determination of cost-effectiveness and the most effective use of the funds to achieve the purposes described in subsection (b).

(d) IMPLEMENTATION.—

(1) IN GENERAL.—Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall establish a project that is—

(A) carried out in multiple States—

(i) at the option of each such State, that have an incentive program that requires the use of ethanol in the State; and

(ii) in which each of which is produced cane sugar that is eligible for loans under section 106 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272), or a similar subsequent authority; and

(B) designed to study the production of ethanol from cane sugar, sugarcane, and sugarcane byproducts.

(2) REQUIREMENTS.—A project described in paragraph (1) shall—

(A) be limited to sugar producers and the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii, divided equally among the States, to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugarcane byproducts;

(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and

(C) not last more than 3 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000, to remain available until expended.

SEC. 210. GRANTS TO IMPROVE THE COMMERCIAL VALUE OF BIOMASS DELIVERED FOR USE IN ELECTRICITY, HEAT, TRANSPORTATION FUELS, AND OTHER COMMERCIAL PURPOSES.

(a) DEFINITIONS.—In this section:

(1) BIOMASS.—The term ‘biomass’ means nonmerchantable materials or precommercial thinnings that are hazardous fuels, such as trees, wood, brush, thinnings, chips, and slash, that are—

(A) removed from hazardous fuels treatments that would not otherwise be used for other purposes; or

(B) removed from hazardous fuels treatments that would not otherwise be used for other purposes.

(2) NONMERCHANTABLE.—For purposes of subsection (b), the term ‘nonmerchantable’ means that portion of the byproducts of preventive treatments that would not otherwise be used for higher value products.

(3) IN GENERAL.—For each fiscal year, the Secretary shall allocate grant funds under this section equally between the programs described in paragraphs (1) and (2) of subsection (b).

(4) IN GENERAL.—

(A) For each fiscal year, the Secretary shall allocate grant funds under this section equally between the programs described in paragraphs (1) and (2) of subsection (b).

(B) In wake of a hurricane or other catastrophic event or which suffers from disease or insect infestation.

(c) Grant recipient.

(1) The grant recipient shall be a representative of the Secretary concerned, the representative being a person designated by the Secretary of Agriculture, in consultation with the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Agriculture, in consultation with the Representative of the Secretary concerned, the representative being a person designated by the Secretary of Agriculture, in consultation with the Committee on Agriculture, Nutrition, and Forestry of the House of Representatives, a report describing the results of grants authorized under this section and the Secretary concerned.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000 for each of fiscal years 2006 through 2010.
the 10-year period beginning on the date of enactment of this Act, seek to have approved non- hydroelectric renewable energy projects located on the public lands with a generation capacity of at least 10 megawatts of electric energy.

Subtitle B—Geothermal Energy

SEC. 221. SHORT TITLE.

This subtitle may be cited as the “John Rishel Geothermal Steam Act Amendments of 2005”.

SEC. 222. COMPETITIVE LEASE SALE REQUIREMENTS.

Section 4 of the Geothermal Steam Act of 1970 (30 U.S.C. 1003) is amended to read as follows:

SEC. 4. LEASING PROCEDURES.

(a) NOMINATIONS.—The Secretary shall accept nominations of land to be leased at any time from qualified companies and individuals under this Act.

(b) COMPETITIVE LEASE SALE REQUIRED.—

(1) IN GENERAL.—Except as otherwise specifically provided by this Act, all land to be leased that is not subject to leasing under subsection (c) shall be leased as provided in this subsection to the highest responsible qualified bidder, as determined by the Secretary.

(2) COMPETITIVE LEASE SALES.—The Secretary shall hold a competitive lease sale at least once every 2 years in a State and shall accept nominations pending under subsection (a) if the land is otherwise available for leasing.

(3) LANDS SUBJECT TO MINING CLAIMS.—Lands subject to a mining claim for which a plan of operations has been approved by the relevant Federal land management agency may be available for noncompetitive leasing under this section to the mining claim holder.

(4) COMPETITIVE LEASING.—The Secretary shall make available for a period of 2 years for noncompetitive leasing any tract for which a lease sale is held, but for which the Secretary does not receive any bids in a competitive lease sale.

(d) PENDING LEASE APPLICATIONS.—

(1) IN GENERAL.—It shall be a priority for the Secretary, and for the Secretary of Agriculture with respect to National Forest Systems land, to ensure timely completion of administrative actions, including amendments to applicable forest plans and resource management plans, necessary to process applications for geothermal leasing pending on the date of enactment of this subsection. All future forest plans and resource management plans for areas with high geothermal resource potential shall consider geothermal development.

(2) ADMINISTRATION.—An application described in paragraph (1) and any lease issued pursuant to the application—

(A) except as provided in subparagraph (B), shall not be subject to this section as in effect on the day before the date of enactment of this paragraph; or

(B) at the election of the applicant, shall be subject to this section as in effect on the effective date of this paragraph.

(e) LEASES SOLD AS A BLOCK.—If information is available to the Secretary indicating a geothermal resource that could be produced as 1 unit can reasonably be expected to underlie more than 1 parcel to be offered in a competitive lease sale, the Secretary may offer for bidding as a block in the competitive lease sale.

SEC. 223. DIRECT USE.

(a) FEES FOR DIRECT USE.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) is amended—

(1) in subsection (c), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by redesignating subjections (a) through (d) as paragraphs (1) through (4), respectively; and

(3) by inserting (a) IN GENERAL.— after “(B) in the case of leases”.

(4) by adding at the end the following:—

“(b) DIRECT USE.—

“(1) IN GENERAL.—Notwithstanding subsection (a)(1), the Secretary shall establish a schedule of fees, in lieu of royalties for geothermal resources, that a lessee or its affiliate—

(A) uses for purposes other than the commercial generation of electricity; and

(B) does not sell.

“(2) SCHEDULE OF FEES.—The schedule of fees shall be—

(A) based on the quantity or thermal content, or both, of geothermal resources used; and

(B) shall ensure a fair return to the United States for use of the resource; and

“(C) shall encourage development of the resource.

“(2) STATE, TRIBAL, OR LOCAL GOVERNMENTS.—If a State, tribal, or local government is the lessee and uses geothermal resources without sale and for public purposes other than commercial generation of electricity, the Secretary shall charge only a nominal fee for use of the resource.

“(3) FINAL REGULATION.—In issuing any final regulation establishing a schedule of fees under this subsection, the Secretary shall—

(A) provide lessees a simplified administrative system;

(B) to facilitate development of direct use of geothermal resources; and

(C) contribute to sustainable economic development approaches.

“(b) LEASING FOR DIRECT USE.—Section 4 of the Geothermal Steam Act of 1970 (30 U.S.C. 1003) (as amended by section 222) is further amended by adding at the end the following:

“(1) LEASING FOR DIRECT USE OF GEOTHERMAL RESOURCES.—Notwithstanding subsection (b), the Secretary may identify areas in which the land to be leased under this Act exclusively for direct use of geothermal resources, without sale for purposes other than commercial generation of electricity, may be leased to any qualified applicant that has a lease under regulations issued by the Secretary, if the Secretary—

(A) publishes in the notice of the land proposed for leasing not later than 90 days before the date of the issuance of the lease;

(B) does not receive during the 90-day period beginning on the date of the publication any nomination to include the land concerned in the next competitive lease sale; and

(C) determines there is no competitive interest in the geothermal resources in the land to be leased.

“(2) AREA SUBJECT TO LEASE FOR DIRECT USE.—

“(1) IN GENERAL.—Subject to paragraph (2), a geothermal lease for the direct use of geothermal resources shall cover not more than the quantity of acreage determined by the Secretary to be reasonably necessary for such leased use.

“(2) LIMITATIONS.—The quantity of acreage covered by the lease shall not exceed the limitations established under section 7.

(c) APPLICATION OF NEW LEASE TERMS.—The schedule of fees established under the amendment made by subsection (a)(4) shall apply with respect to payments under a lease converted under this subsection that are due and owing and have been paid, on or after July 16, 2003. This subsection shall not require the refund of royalties paid to a state under section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1009) prior to the date of enactment of this Act.

SEC. 224. ROYALTIES AND NEAR-TERM PRODUCTION INCENTIVES.

(a) ROYALTIES.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) is further amended—

(1) in subsection (a) by striking paragraph (1) and inserting the following:

“(1) a royalty on electricity produced using geothermal resources, other than direct use of geothermal resources, that shall be—

(A) not less than 2 percent of the gross proceeds from the sale of electricity produced from such resources during the first 10 years of production under the lease; and

(B) not less than 2 and not more than 5 percent of the gross proceeds from the sale of electricity produced from such resources during each year after such 10-year period;''; and

(2) by adding at the end the following:

“(c) ROYALTY RATES.—In issuing any regulation establishing royalty rates under this section, the Secretary shall seek—

“(1) to provide leases a simplified administrative system;

“(2) to encourage new development; and

“(3) to achieve the same level of royalty revenue over a 10-year period in effect on the date of enactment of this subsection.

“(d) CREDITS FOR IN-KIND PAYMENTS OF ELECTRICITY.—The Secretary may provide to a lessee a credit against royalties owed under this Act, in an amount equal to the value of electricity provided under contract to a State or county government that is entitled to a portion of such royalties under section 20 of this Act, section 35 of the Mineral Leasing Act (30 U.S.C. 191), except as otherwise provided by this section by section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355), if—

“(1) the Secretary has approved in advance the contract between the lessee and the State or county government for such in-kind payments;

“(2) the contract establishes a specific methodology to determine the value of such credits; and

“(3) the maximum credit will be equal to the royalty value owed to the State or county that is a party to the contract and the electricity received will serve as the royalty payment from the Federal Government to that entity.''

(b) DISPOSAL OF MONEYS FROM SALES, BONUSES, ROYALTIES, AND RENTS.—Section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1819) is amended to read as follows:

“SEC. 20. DISPOSAL OF MONEYS FROM SALES, BONUSES, ROYALTIES, AND RENTS.

“(a) In general.—Except with respect to lands in the State of Alaska, all moneys received by the United States from sales, bonuses, rents, and royalties under this Act shall be paid into the Treasury of the United States. Of amounts deposited under this subsection, subject to the provisions of subsection (b) of section 35 of the Mineral Leasing Act (30 U.S.C. 191(b)) and section 6(g)(2) of the Mineral Leasing Act of 1995.

“(1) 50 percent shall be paid to the State within the boundaries of which the leased lands or geothermal resources are or were located; and

“(2) 25 percent shall be paid to the county within the boundaries of which the leased lands or geothermal resources are or were located.

“(b) USE OF MONEYS.—Amounts paid to a State or county under subsection (a) shall be used consistent with the terms of section 35 of the Mineral Leasing Act (30 U.S.C. 191),

“(c) Near-Term Production Incentive for Existing Leases.

(1) IN GENERAL.—Notwithstanding section 5(a) of the Geothermal Steam Act of 1970, the royalty required to be paid shall be 50 percent of the amount of the royalty paid on any lease issued before the date of enactment of this Act that does not convert to new royalty terms under subsection (b).

(A) with respect to commercial production of energy from a facility that begins such production in the 6-year period beginning on the date of enactment of this Act;

(B) on qualified expansion geothermal energy.

(2) 4-YEAR APPLICATION.—Paragraph (1) applies only to new commercial production of energy from a facility in the first 4 years of such production.

(d) Definition of Qualified Expansion Geothermal Energy.—In this section, the term ‘‘qualified expansion geothermal energy’’ means geothermal energy produced from a generation facility for which...
(1) the production is increased by more than 10 percent as a result of expansion of the facility carried out in the 5-year period beginning on the date of enactment of this Act; and

(2) the production increase is greater than 10 percent of the average production during the 5-year period preceding the expansion of the facility (as such average is adjusted to reflect any trend in changes in production during that period).

(e) Royalty Under Existing Leases.—

(1) In the case of a lease under a lease issued under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) before the date of enactment of this Act, the Secretary may, within the 5-year period beginning on the date of enactment of this Act, including, as necessary, by issuing leases, rejecting lease applications for failure to meet the provisions of the regulations under which they were filed, or determining that an original applicant (or the applicant’s assigns, heirs, or estate) is no longer interested in pursuing the lease application.

(2) DATA RETRIEVAL SYSTEM.—The memorandum of understanding shall establish a joint data retrieval system to track lease and permit applications and providing to the applicant information as to their status within the Departments of the Interior and Agriculture, including an estimate of the time required for administrative action.

SEC. 226. ASSESSMENT OF GEOTHERMAL ENERGY POTENTIAL.

Not later than 3 years after the date of enactment of this Act and thereafter as the availability of data and developments in technology warrants, the Secretary, acting through the Director of the United States Geological Survey and in cooperation with the States, shall—

(1) update the Assessment of Geothermal Resources made under 30 U.S.C. 1017;

(2) submit to Congress the updated assessment.

SEC. 227. COOPERATIVE OR UNIT PLANS.

Section 18 of the Geothermal Steam Act of 1970 (30 U.S.C. 1017) is amended to read as follows:

""SEC. 18. UNIT AND COMMUNITIZATION AGREEMENTS.

""(a) Adoption of Units by Lessees.—

(1) IN GENERAL.—For the purpose of more properly conserving the natural resources of any geothermal reservoir, field, or like area, or any part thereof, the Secretary, by 1 or more lessees of geothermal leases, with 1 or more persons, associations, or corporations if, in the discretion of the Secretary, the conservation of natural resources or the public convenience or necessity may require or the interests of the United States may be best served by the approval, (1) assign, (2) lease, or (3) modify, in whole or in part, any geothermal reservoir, field, or like area, subject to any cooperative plan of development or operation (referred to in this section as a ‘unit agreement’) for the purpose of carrying out a unit agreement and any representative or representatives of the lessees thereof and their respective lessees may unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit agreement for the reservoir, field, or like area, or any part thereof, any geothermal reservoir, field, or like area, in a manner as is necessary or advisable for the public interest.

(b) MAINTENANCE OF SINGLE LEASE.—A majority interest of owners of any single lease shall have the authority to commit the lease to a unit agreement.

(c) INITIATIVE OF SECRETARY.—The Secretary may also initiate the formation of a unit agreement, or require an existing Federal lease to commit to a unit agreement, if the public interest or the interest of the United States may be best served by such action.

(d) MODIFICATION OF LEASE REQUIREMENTS BY SECRETARY.—

(1) IN GENERAL.—The Secretary may, in the discretion of the Secretary and with the consent of the holders of leases involved, establish, alter, change, or revoke rules of operations (including, drilling, prospecting, production, or other regulations) of the leases and make conditions with respect to the leases, in connection with the creation and operation of any unit agreement as the Secretary may consider necessary or advisable to secure the protection of the public interest.

(2) UNLIKE TERMS OR RATES.—Leases with unlike terms or rates shall not be required to be modified to be in the same unit.

(e) MODIFICATION OF LEASE REQUIREMENTS BY SECRETARY.—

(1) Provide that geothermal leases issued under this Act shall contain a provision requiring the lessee to operate under a unit agreement; and

(2) prescribe the unit agreement under which the lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States.

(f) MODIFICATION OF RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION.—The Secretary may, by regulation, require the lessee to modify the unit agreement authorized by this section that applies to lands owned by the United States under which a lease has been issued, and the modifications of the lessees of lands in the National Forest System, inclusion of other applicable laws, regarding coordination of public lands and National Forest System land that is subject to a unit agreement and the States shall not be considered in determining holdings or control under section 7.

(g) POOLING OF CERTAIN LAND.—If separate tracts of land cannot be independently developed and operated to use geothermal resources pursuant to any section of this Act—

(1) the land, or a portion of the land, may be pooled with other land, whether or not owned by the United States, for purposes of development and operation under a communication agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the production unit, if the pooling is determined by the Secretary to be in the public interest; and

(2) operation or production pursuant to the communication agreement shall be treated as operation or production respecting each tract of land that is subject to the communication agreement.

(h) UNIT AGREEMENT REVIEW.—

(1) IN GENERAL.—After 3 years following the date of approval of any unit agreement and at least every 5 years thereafter, the Secretary shall—

(A) review each unit agreement; and

(B) after notice and opportunity for comment, eliminate from inclusion in the unit agreement any land that the Secretary determines is not reasonably necessary for unit operations under the unit agreement.

(i) BASES FOR ELIMINATION.—The elimination shall—

(A) be based on scientific evidence; and

(B) occur only if the elimination is determined by the Secretary to be for the purpose of conserving and properly managing the geothermal resource.

(j) EXTENSION.—Any land eliminated under this subsection shall be eligible for an extension under section 6 if the land meets the requirements for the extension.

(k) DRILLING OR DEVELOPMENT CONTRACTS.—

(1) IN GENERAL.—The Secretary may, on such conditions as the Secretary may prescribe, approve drilling or development contracts made by 1 or more lessees of geothermal leases, with 1 or more persons, associations, or corporations if, in the discretion of the Secretary, the conservation of natural resources or the public convenience or necessity may require the interests of the United States may be best served by the approval.

(2) HOLDINGS OR CONTROL.—Each lease operated under an approved drilling or development contract, and interest under the contract, shall be excepted in determining holdings or control under section 5.

(l) COOPERATION WITH STATE GOVERNMENTS.—The Secretary shall coordinate unitization and pooling activities with appropriate State agencies.

SEC. 228. ROYALTY ON RYPPRODUCTS.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223(a)) is further amended in subsection (a) by striking paragraph (2) and inserting—

(2) a royalty on any byproduct that is a mineral specified in the first section of the Mineral
Leasing Act (30 U.S.C. 181), and that is derived from production under the lease, at the rate of the royalty that applies under that Act to production of the mineral under a lease under that Act.

SEC. 229. AUTHORITIES OF SECRETARY TO READJUST TERMS, CONDITIONS, RENTALS, AND FEES.

Section 8(g) of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) is amended in the second sentence by striking “period, and in no event” and all that follows through the end of the sentence and inserting “period.”

SEC. 230. CREDITS TO RENTAL TOWARD ROYALTY.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) as amended by sections 223 and 224 is further amended—

(1) in subsection (a)(2) by inserting “and” and “within the period,”

(2) in subsection (a)(3) by striking “and” and “within the period,”

(3) by striking paragraph (4) of subsection (a), and

(4) by adding at the end the following:

“(e) CREDITING OF RENTAL TOWARD ROYALTY.—Any annual rental under this section that is paid with respect to a lease before the first day of the year in which the annual rental is owed shall be credited to the amount of royalty that is required to be paid under the lease for that year.

SEC. 231. LEASE DURATION AND WORK COMMITMENT REQUIREMENTS.

Section 6 of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) is amended—

(1) by striking as precedes subsection (c), and striking subsections (e), (g), (h), (i), and (j); and

(2) by redesignating subsections (c), (d), and (f) in order as subsections (g), (h), and (i); and

(3) by inserting before subsection (g), as so redesignated, the following:

“SEC. 6. LEASE TERM AND WORK COMMITMENT REQUIREMENTS.

“(a) IN GENERAL.—

“(1) PRIMARY TERM.—A geothermal lease shall be for a primary term of 10 years.

“(2) INITIAL EXTENSION.—The Secretary shall extend the primary term of a geothermal lease for 5 years if, for each year after the tenth year of the lease—

“(A) the Secretary determined under subsection (b) that the lessee satisfied the work commitment requirements that applied to the lease for that year; or

“(B) the lessee paid in annual payments in accordance with subsection (c).

“(3) ADDITIONAL EXTENSION.—The Secretary shall extend the primary term of a geothermal lease for an additional term of 5 years for each year of the initial extension under paragraph (2), the Secretary determined under subsection (b) that the lessee satisfied the minimum work requirements that applied to the lease for that year.

“(b) REQUIREMENT TO SATISFY ANNUAL MINIMUM WORK REQUIREMENTS.—

“(1) IN GENERAL.—The lessee for a geothermal lease shall, for each year after the tenth year of the lease, satisfy minimum work requirements prescribed by the Secretary that apply to the lease for that year.

“(2) PRESCRIPTION OF MINIMUM WORK REQUIREMENTS.—The Secretary shall issue regulations prescribing minimum work requirements for geothermal leases, that—

“(A) establish a geothermal potential; and

“(B) if a geothermal potential has been established, confirm the existence of producible geothermal resources.

“(c) PAYMENTS IN LIEU OF MINIMUM WORK REQUIREMENTS.—In lieu of the minimum work requirements prescribed under subsection (b), the lessee may elect to make payments in lieu of the minimum requirements as prescribed by the Secretary by regulation established minimum annual payments which may be made by the lessee for a limited number of years that the Secretary determines will not impair achieving diligent development of the geothermal resource, but in no event shall the number of years exceed the duration of the extension period provided in subsection (a).

“(d) TRANSITION RULES FOR LEASES ISSUED PRIOR TO ENACTMENT OF ELECTRIC POWER ACT OF 2005.—For purposes of this section, and references thereto, the Secretary shall by regulation establish transition rules for leases issued before the date of the enactment of this subsection, including terms under which a lease that is near the end of its term on the date of enactment of this subsection may be extended for up to 2 years—

“(1) to allow achievement of production under the lease; or

“(2) to allow the lease to be included in a producing unit.

“(e) GEOThermal LEASE OVERLAPPING MINING CLAIM.—

“(1) EXEMPTION.—The lessee for a geothermal lease of an area overlapping an area subject to a mining claim for which a plan of operations has been approved by the relevant Federal land management agency is exempt from annual work requirements established under this Act, if development of the geothermal resource subject to the lease would interfere with the mining operations under such claim.

“(2) TERMINATION OF EXEMPTION.—An exemption under this paragraph expires upon the termination of the mining operations.

“(f) TERMINATION OF APPLICATION OF REQUIREMENTS.—Minimum work requirements prescribed under this section shall not apply to a geothermal lease after the date on which the geothermal resource is utilized under the lease in commercial quantities.

SEC. 232. ADVANCED Royalties REQUIRED FOR CESSATION OF PRODUCTION.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) as amended by sections 223, 224, and 230 is further amended by adding at the end the following:

“(1) ADVANCED Royalties REQUIRED FOR CESSATION OF PRODUCTION.—

“(A) IN GENERAL.—Subject to paragraphs (2) and (3), if, at any time after commercial production under a lease is achieved, production ceases for any reason, the lease shall remain in full force and effect for a period of not more than an aggregate number of 10 years beginning on the date production ceases, if, during the period in which production ceases, the lessee pays royalties in advance at the monthly average rate at which the royalty was paid during the period of production.

“(B) EXTENSION.—The amount of any production royalty paid for any year shall be reduced (but not below 0) by the amount of any advanced royalties paid under the lease to the extent that the advance royalties have not been used to reduce production royalties for a prior year.

“(2) EXCEPTIONS.—

“(A) Paragraph (1) shall not apply if the cessation in production is required or otherwise caused by—

“(a) the Secretary;

“(b) the Secretary of the Air Force; or

“(c) the Secretary of the Army;

“(C) the Secretary of the Navy;

“(D) a State or a political subdivision of a State; or

“(E) a force majeure.

SEC. 233. ANNUAL RENTAL.

(a) ANNUAL RENTAL RATE.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by section 223(a)) is further amended in subsection (a) by striking paragraph (3) and inserting the following:

“(3) payment in advance of an annual rental of not less than—

“(A) for each of the first through tenth years of the lease—

“(i) in the case of a lease awarded in a non-competitive lease sale, $1 per acre or fraction thereof; or

“(ii) in the case of a lease awarded in a competitive lease sale, $2 per acre or fraction thereof for the first year and $3 per acre or fraction thereof for each of the second through tenth years; and

“(B) for each year after the tenth year of the lease, $5 per acre or fraction thereof;“;

(b) TERMINATION OF LEASE DUE TO REASONABLE FAILURE TO PAY RENTAL.—Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) (as amended by sections 223, 224, 230, and 232) is further amended by adding at the end the following:

“(a) LEASE REVENUES FOR 5 FISCAL YEARS.

“(a) DEPOSIT OF GEOThermal RESOURCES LEASES.—Notwithstanding any other provision of law, amounts received by the United States in the first 5 fiscal years beginning after the date of enactment of this Act as rentals, royalties, and other payments required under leases under the Geothermal Steam Act of 1970, including funds required to be paid to State and county governments, shall be deposited into a separate account in the Treasury.

“(b) USE OF DEPOSITS.—Amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 and this Act.

“(c) TRANSFER OF FUNDS.—For the purposes of coordination and processing of geothermal leasing on Federal land the Secretary of the Interior may authorize the expenditure or transfer of such funds as are necessary to the Forest Service.

“SEC. 234. ACREAGE LIMITATIONS.

Section 7 of the Geothermal Steam Act of 1970 (30 U.S.C. 1006) is amended—

(1) by striking “five thousand five hundred acres” and inserting “5,120 acres”;

(2) by striking “twelve thousand four hundred and eighty acres” and inserting “12,090 acres”;

(3) by striking the second paragraph.

SEC. 236. TECHNICAL AMENDMENTS.

The Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) is further amended as follows:

(1) by striking “geothermal steam and associated geothermal resources” each place it appears and inserting “geothermal resources”;

(2) Section 2 (30 U.S.C. 1001) is amended by adding at the end the following:

“(c) DIRECT USE MEANS UTILIZATION OF GEOThermal RESOURCES FOR COMMERCIAL, RESIDENTIAL, AGRICULTURAL, PUBLIC FACILITIES, OR OTHER ENERGY NEEDS OTHER THAN THE COMMERCIAL PRODUCTION OF ELECTRICITY; and

(3) Section 21 (30 U.S.C. 1020) is amended by striking “(a) Within one hundred” and all that
SEC. 17. ADMINISTRATION.

SEC. 16. REQUIREMENT FOR LESSEES.

SEC. 15. LANDS SUBJECT TO GEOTHERMAL LEASING.

SEC. 14. SURFACE LAND USE.

SEC. 13. WAIVER, SUSPENSION, OR REDUCTION OF RENTAL OR ROYALTY.

SEC. 12. TERMINATION OF LEASES.

SEC. 11. SUSPENSION OF OPERATIONS AND PRODUCTION.

SEC. 10. RENUNCIATION OF GEOTHERMAL RIGHTS.

SEC. 9. BPYPRODUCTS.

SEC. 8. READJUSTMENT OF LEASE TERMS AND CONDITIONS.

SEC. 7. THE.

SEC. 6. (a) Geothermal.

SEC. 5. RENTS AND ROYALTIES.

SEC. 4. (a) The.

SEC. 3. LANDS SUBJECT TO GEOTHERMAL LEASING.

SEC. 2. AS.

SEC. 1. SHORT TITLE.

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operational impacts for electricity production of a proposed alternative.

(4) The Secretary concerned shall submit into the public record of the Commission proceeding for a project under section 18 an alternative condition it accepts under this section, a written statement explaining the basis for such condition, and reason for not accepting any condition under this section. The written statement must demonstrate that the Secretary gave equal consideration to the effects of the condition adopted and alternatives not accepted on energy supply, distribution, cost, and use; flood control; navigation; water supply; and air quality (in addition to the preservation of other aspects of environmental quality). Such statement shall be available to the Secretary, including any information voluntarily provided in a timely manner by the applicant and others. The Secretary shall also submit, together with the aforementioned written statement, all studies, data, and other factual information available to the Secretary and relevant to the Secretary's decision.

(5) If the Commission finds that the Secretary's final condition would be inconsistent with the purposes of this part, or other applicable law, it may refer the dispute to the Commission's Dispute Resolution Service. The Dispute Resolution Service shall consult with the Secretary and the Commission and issue a non-binding advisory within 90 days. The Secretary may accept the Dispute Resolution Service advisory unless the Secretary finds that the recommendation will not adequately protect the fish resources. The Secretary shall submit the advisory and the Secretary's final written determination into the record of the Commission's proceeding.

SEC. 242. HYDROELECTRIC PRODUCTION INCENTIVES.

(a) INCENTIVE PAYMENTS.—For electric energy generated and sold by a qualified hydroelectric facility during the incentive period, the Secretary shall make, subject to the availability of appropriations, incentive payments to the owner or operators of such facility in an amount equal to the difference between payment made to any such owner or operator and the Secretary's recommendation of such payment made to any such owner or operator shall be as determined under subsection (e) of this section. Payments under this section may only be made during the period when the Secretary issues an incentive payment application which establishes that the applicant is eligible to receive such payment and which satisfies such other requirements as the Secretary determines to be necessary. Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.

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

(1) QUALIFIED HYDROELECTRIC FACILITY.—The term "qualified hydroelectric facility" means a turbine or other generating device owned or solely operated by a governmental or nongovernmental entity, and which does not require any construction or conduit the construction of which was completed before the date of the enactment of this section and which does not require any construction or enlargement of impoundment or diversion structures (other than repair or reconstruction) in connection with the installation of a turbine or other generating device.

(2) CONDUIT.—The term "conduit" has the same meaning as when used in section 30(a)(2) of the Federal Power Act (16 U.S.C. 823a(a)(2)). The terms defined in this subsection shall apply without regard to the hydroelectric kilowatt capacity of the facility concerned, without regard to whether the facility uses a dam owned by a governmental or nongovernmental entity, and without regard to whether the facility begins operation on or after the date of the enactment of this section.

(c) ELIGIBILITY WINDOW.—Payments may be made only in respect to electric energy generated from a qualified hydroelectric facility which begins operation during the period of 10 fiscal years beginning with the first full fiscal year occurring after the date of enactment of this title.

(d) INCENTIVE PERIOD.—A qualified hydroelectric facility may receive payments under this section for a period of 10 fiscal years (referred to in this section as the "incentive period"). Such period shall begin with the fiscal year in which electric energy generated from the facility is first eligible for payment under this section.

(e) AMOUNT OF PAYMENT.—

(1) IN GENERAL.—Payments made by the Secretary under this section to the owner or operator of an electric generating device shall be based on the number of kilowatt hours of hydroelectric energy generated by the facility during the incentive period. For any such facility, the amount of such payment shall be 1.8 cents per kilowatt hour (adjusted as provided in paragraph (2), subject to the availability of appropriations under this section), subject to the condition that no facility may receive more than $750,000 in 1 calendar year.

(2) ADJUSTMENTS.—The amount of the payment made to any person under this section shall be adjusted for inflation for each fiscal year beginning after calendar year 2005 in the same manner as provided in the provisions of subsection (g) of section 21(b) of the Internal Revenue Code of 1986, except that in applying such provisions the calendar year 2005 shall be substituted for calendar year 1979.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for fiscal years 2006 through 2015.

SEC. 243. HYDROELECTRIC EFFICIENCY IMPROVEMENTS.

(a) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments to the owners or operators of hydroelectric facilities at existing dams to be used to make capital improvements in the facilities that are directly related to improving the efficiency of such facilities by at least 3 percent.

(b) LIMITATIONS.—Incentive payments under this section shall not exceed 10 percent of the costs of the capital improvement concerned and not more than 1 payment may be made with respect to improvements at a single facility. No payments under this section shall be made with respect to improvements at a single facility.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the purposes of this section.

SEC. 244. ALASKA STATE JURISDICTION OVER SMALL HYDROELECTRIC PROJECTS.

Section 32 of the Federal Power Act (16 U.S.C. 823c) is amended—

(1) in subsection (a)(3)(C), by inserting "except as provided in subsection (I)," before "conditions;" and

(2) by adding at the end the following:

"(I) FISH AND WILDLIFE.—If the State of Alaska determines that a recommendation under subsection (a)(3)(C) is supported by the evidence and data provided in paragraphs (1) and (2) of subsection (a), the State of Alaska may decline to adopt all or part of the recommendations in accordance with the procedures established under section 910."
the United States, and for other purposes.

of the United States, and for other purposes to maintain a hydroelectric development licensed by the United States government in the political subdivision of the State of Montana that holds a Commission license for the Commission project numbered 12107 in Granite and Deer Lodge Counties, Montana, shall be paid to the United States for the use of that land for each year during which the political subdivision continues to hold the license for the property, the lesser of—

(1) $100,000; or

(2) such annual charge as the Commission or any other department or agency of the Federal Government may assess.

SEC. 248. SMALL SCALE HYDROELECTRIC POWER PROJECTS.


(1) in subsection (a)(4) by striking the period and inserting a semicolon;

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

(5) To the extent feasible, the Secretary may identify and evaluate the most promising strategies or projects described in subparagraphs (C) and (D) of paragraph (2) for meeting that need.

(4) In assessing the potential of any strategy or project under paragraphs (2) and (3), the Secretary may identify as having significant potential;

(5) electric power transmission and distribution lines in such insular areas are inadequate to withstand damage caused by the hurricanes and typhoons which frequently occur in insular areas and such damage often costs millions of dollars to repair; and

(6) the refinement of renewable energy technologies since the publication of the 1982 Ter- ritorial Power line plans for such insular areas with the objective of reducing, to the extent feasible, their reliance on imported energy, opportunities for energy conservation and increased energy efficiency, and indigenous sources in regard to the insular areas

(3) by amending subsection (e) to read as follows:

“(e)(1) The Secretary of Energy and the Interior may award grants under subparagraph (A) to the head of government of each insular area, shall update the plans required under subsection (c) by—

(A) updating the contents required by subsection (a);

(B) draft long-term energy transmission and distribution plans for such insular areas with the objective of reducing, to the extent feasible, their reliance on imported energy imports by the year 2012, increasing energy conservation and energy efficiency, and maximizing, to the extent feasible, use of indigenous energy sources; and

(C) drafting long-term energy transmission line plans for such insular areas with the objective that the maximum percentage feasible of electric power transmission and distribution lines in such insular areas be protected from damage caused by hurricanes and typhoons.

(2) In carrying out this subsection, the Secretary of Energy shall identify and evaluate the strategies or projects with the greatest potential for reducing the dependence on imported fossil fuels as used for the generation of electricity, including strategies and projects for—

(i) improving the efficiency of central electrical generation, transmission, and distribution systems;

(ii) improved demand-side management through—

(i) the application of established standards for energy efficiency for appliances;

(ii) the conduct of energy audits for business and industrial customers; and

(iii) the use of energy savings performance contracts;

(iv) increased use of renewable energy, including—

(i) solar thermal energy for electric generation;

(ii) solar thermal energy for water heating in large buildings, such as hotels, hospitals, government buildings, and residences;

(iii) photovoltaic energy;

(iv) waste-to-electric energy;

(v) hydroelectric energy;

(vi) wave energy;

(vii) energy from the ocean thermal resources, including ocean thermal-cooling for community air conditioning;

(viii) water vapor condensation for the production of potable water;

(ix) fossil fuel and renewable hybrid electrical generation systems; and

(x) other strategies or projects that the Secretary may identify as having significant potential; and

(2) fuel substitution and minimization with indigenous biofuels, such as coconut oil.

(3) In carrying out this subsection, for each insular area with a significant need for distributed generation, the Secretary of Energy shall identify and evaluate the most promising strategies and projects described in subparagraphs (C) and (D) of paragraph (2) for meeting that need.

(4) The estimated cost of the power or energy to be produced, including—

(i) the cost of the power or energy associated with the distribution of the generation; and

(ii) the long-term availability of the generation source;

(3) the capacity of the local electrical utility to manage, operate, and maintain any project that may be undertaken;

(4) other factors the Secretary of Energy considers to be appropriate.

(5) Not later than 1 year after the date of enactment of this subsection, the Secretary of the Interior shall submit to the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and the Committee on Energy and Commerce of the House of Representatives, the updated plans for each insular area required by this subsection.

(c) by amending subsection (g)(4) to read as follows:

“(g)(4) POWER LINE GRANTS FOR INSULAR AREAS.—

(A) IN GENERAL.—The Secretary of the Interior shall carry out a feasibility study of a project to implement a strategy or project identified in the plans submitted to Congress pursuant to section 604 of the Act entitled “An Act to authorize appropriations for certain insular areas of the United States and other purposes”, approved December 24, 1980 (48 U.S.C. 1492), is amended—

(B) ELIGIBLE PROJECTS.—The Secretary of the Interior may award grants under subparagraph (A) to only those governments of insular areas of the United States that submit written project plans to the Secretary for projects that meet the following criteria:

(1) The project is designed to protect electric power transmission and distribution lines located in 1 or more of the insular areas of the United States from damage caused by hurricanes and typhoons.

(2) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

(3) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

(4) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

(5) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

(5) Not later than 1 year after the date of enactment of this subsection, the Secretary of the Interior may provide technical and financial assistance as the Secretary determines is appropriate for the implementation of the project.
TITLED—OIL AND GAS

Subtitle A—Petroleum Reserve and Home Heating Oil

SEC. 301. PERMANENT AUTHORITY TO OPERATE THE STRATEGIC PETROLEUM RESERVE AND OTHER ENERGY PROGRAMS.

(a) AMENDMENT TO TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT.—Title I of the Energy Policy and Conservation Act (42 U.S.C. 6212 et seq.) is amended—

(1) by striking section 166 (42 U.S.C. 6246) and inserting the following:

“AUTHORIZATION OF APPROPRIATIONS

Sec. 166. There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this part and part D, to remain available until expended.”;

(2) by striking section 186 (42 U.S.C. 6250e); and

(3) by striking part E (42 U.S.C. 6251).

(b) AMENDMENT TO TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.—Title II of the Energy Policy and Conservation Act (42 U.S.C. 6271 et seq.) is amended—

(1) by inserting before section 273 (42 U.S.C. 6311) the following:

“PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS;

Sec. 273. Summer fill and fuel budgeting programs.

Sec. 181. Establishment.

Sec. 182. Authority.

Sec. 183. Conditions for release; plan.

Sec. 184. Northeast Home Heating Oil Reserve Account.

Sec. 185. Exemptions.;

(2) by amending the items relating to part C of title I the following:

“PART D—NORTH EAST HEATING OIL RESERVE

Sec. 186. Northeast Home Heating Oil Reserve Account.

Sec. 187. Conditions for release, plan.

SEC. 273. Summer fill and fuel budgeting programs.

(1) by striking section 273(a) (42 U.S.C. 6283(c)); and

(2) by striking part D (42 U.S.C. 6285).

(c) TECHNICAL AMENDMENTS.—The table of contents of the Energy Policy and Conservation Act is amended—

(1) by inserting after the items relating to part C of title I the following:

“PART D—NORTH EAST HEATING OIL RESERVE

Sec. 181. Establishment.

Sec. 182. Authority.

Sec. 183. Conditions for release; plan.

Sec. 184. Northeast Home Heating Oil Reserve Account.

Sec. 185. Exemptions.”;

(2) by amending the items relating to part C of title II to read as follows:

“PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS

Sec. 273. Summer fill and fuel budgeting programs.

and

(3) by striking the items relating to part D of title I.

(d) AMENDMENT TO THE ENERGY POLICY AND CONSERVATION ACT.—Section 183(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6230(b)(1)) is amended by striking “by more and all that is made through July 1, 2005.”

(3) by amending the items relating to part D of title I.

(e) FILL STRATEGIC PETROLEUM RESERVE TO CAPACITY;

SEC. 302. NATIONAL OILHEAT RESEARCH ALLIANCE.

Section 713 of the Energy Act of 2000 (Public Law 106–459; 42 U.S.C. 6260 note) is amended by striking “4” and inserting “9”.

SEC. 303. SITE SELECTION.

Not later than 1 year after the date of enactment of this Act, the Secretary shall complete a proceeding to select, from sites that the Secretary has previously studied, sites necessary to enable acquisition by the Secretary of the full authorized volume of the Strategic Petroleum Reserve. In such proceeding, the Secretary shall first consider and give preference to the five points identified as proposed by DOE/EIS-0165-D. However, the Secretary in his discretion may select other sites as proposed by a State where a site has been previously studied and, if not the same, the Governor-appointed State agency described in section 3A.

(a) DEFINITION.—Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by adding at the end the following new paragraph:

“(2) LNG terminal includes all natural gas facilities located outside the United States that are used to receive, unload, load, store, transport, gasify, liquefy, or process natural gas that is imported to the United States from a foreign country and transported from the United States, or transported in interstate commerce by waterborne vessel, but does not include—

(A) waterborne vessels used to deliver natural gas to or from any such facility; or

(b) any pipeline or storage facility subject to the jurisdiction of the Commission under section 7.

(c) AUTHORIZATION FOR SITING, CONSTRUCTION, EXPANSION, OR OPERATION OF LNG TERMINALS.—The Secretary for sections of the Natural Gas Act (15 U.S.C. 717b) is amended by inserting “LNG TERMINALS” after “EXPORTATION” or “IMPORTATION OF NATURAL GAS”.

(3) Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended by adding at the end the following:

(d) Except as specifically provided in this Act, nothing in this Act affects the rights of States under—

(1) the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(2) the Clean Air Act (42 U.S.C. 7401 et seq.); or

(3) the Federal Water Pollution Control Act (33 U.S.C. 1221 et seq.).

(e) The Commission shall have the exclusive authority to approve or deny an application for the siting, construction, expansion, or operation of an LNG terminal. Except as specifically provided in this Act, nothing in this Act is intended to affect otherwise applicable law related to any Federal agency’s authorities or responsibilities related to LNG terminals.

(2) Upon the filing of any application to sit, construct, expand, or operate an LNG terminal, the Commission shall—

(A) set the matter for hearing;

(B) give reasonable notice of the hearing to all interested persons, including the State commission of the State in which the LNG terminal is located and, if not the same, the Governor-appointed State agency described in section 3A.

(C) decide the matter in accordance with this subsection; and

(D) issue or deny the appropriate order accordingly.

(2) Except as provided in subparagraph (B), the Commission may approve an application described in paragraph (2), in whole or in part, with such modifications and upon such terms and conditions as the Commission find necessary or appropriate.

(1) Before January 1, 2013, the Commission shall not—

(3) An order issued for an LNG terminal that offer service to customers other than the applicant, or any affiliate of the applicant, securing service to customers other than the applicant, or any affiliate of the applicant, shall not be effective to the extent that such order is inconsistent with the policies of this Act.

(4) An order issued for an LNG terminal that also offers service to customers on an open access basis shall not result in the subsidization of expansion capacity by existing customers, degradation of service to existing customers, or
undue discrimination against existing customers as to their terms or conditions of service at the facility, as all of those terms are defined by the Commission.

"1. This subsection, the term ‘military installation’—

(A) means a base, camp, post, range, station, yard, center, or homeport facility for any ship or other the jurisdiction of the Department of Defense, including any leased facility that is located within a State, the District of Columbia, or any territory of the United States; and

(B) does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects, as determined by the Secretary of the Army.

2. The Commission shall enter into a memorandum of understanding with the Secretary of Defense for the purpose of ensuring that the Commission coordinate and consult with the Secretary of Defense on the sitting, construction, expansion, or operation of liquefied natural gas facilities that may affect an active military installation.

3. The Commission shall obtain the concurrence of the Secretary of Defense before authorizing the siting, construction, expansion, or operation of liquefied natural gas facilities on the premises of an active military installation.

4. LNG TERMINAL STATE AND LOCAL SAFETY CONSIDERATIONS—

(a) The Commission shall promulgate regulations on the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq) pre-filing process within 60 days after the date of enactment of this section. An applicant shall comply with the pre-filing process required under the National Environmental Policy Act of 1969 prior to filing an application with the Commission. The regulations shall require that the pre-filing process be completed within 6 months prior to filing an application for authorization to construct an LNG terminal and encourage applicants to cooperate with State and local officials.

(b) The Governor of a State in which an LNG terminal is proposed to be located shall designate the appropriate State agency for the purposes of consulting with the Commission regarding the pre-filing process. Under such regulations, the Commission shall consult with such State agencies regarding State and local safety considerations prior to issuing an order pursuant to section 3 of this Act.

(c) The Commission shall ensure that reasonable terms and conditions are in place to protect consumers.

(d) If the Commission authorizes a natural gas company to charge market-based rates under this subsection, the Commission shall ensure that the market-based rate is just, reasonable, and not unduly discriminatory or preferential.

SEC. 312. PROCESS COORDINATION; HEARINGS; RULES OF PROCEDURE.

(a) In General.—Section 15 of the Natural Gas Act (15 U.S.C. 717n) is amended—

(1) by striking the section heading and inserting "PROCESS COORDINATION; HEARINGS; RULES OF PROCEDURE;";

(2) by redesignating subsections (a) and (b) as subsections (e) and (f), respectively; and

(3) by striking "SEC. 11. and inserting the following:

"SEC. 15. (a) In this section, the term ‘Federal authorization’—

(1) means any authorization required under Federal law with respect to an application for authorization under section 3 or a certificate of public convenience and necessity under section 7; and

(2) includes any permits, special use authorizations, certifications, and appeals or reviews under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), provided that the record may be supplemented as expressly provided pursuant to section 319 of that Act; or

(b) Judicial review under section 19(d) of decisions made or actions taken by Federal and State administrative agencies, provided that, if the Court determines that the record does not contain evidence of a timely request for review, the Court may remand the proceeding to the Commission for further development of the consolidated record.

4. ENSURE EXPEDITIOUS COMPLETION OF PURSUANT TO ORDER FOR THERMAL TO ELECTRICITY GENERATION

5. CONGRESSional RECORD—HOUSE
SEC. 316. NATURAL GAS MARKET TRANSPARENCY RULES.

The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by inserting after section 22 the following:

“NATURAL GAS MARKET TRANSPARENCY RULES

Sec. 22. (a)(1) The Commission is directed to establish an electronic information system if it determines that the public interest, the integrity of those markets, fair competition, and the protection of consumers may be served by such a system. The rules shall provide for the dissemination, on a timely basis, of information about the availability and prices of natural gas sold at wholesale in interstate commerce, by each entity that delivers or sells natural gas in interstate commerce, and by certain other entities that affect the competitive dynamics of wholesale markets.

(b) The Commission shall prescribe such rules as the Commission determines necessary and appropriate to carry out the purposes of this section. The rules shall provide for the dissemination, on a timely basis, of information about the availability and prices of natural gas sold at wholesale in interstate commerce, by each entity that delivers or sells natural gas in interstate commerce, and by certain other entities that affect the competitive dynamics of wholesale markets. The rules shall include, as the Commission determines necessary, a prohibition on the dissemination of transaction-specific information.

(c) In determining the amount of a proposed penalty, the Commission shall take into consideration the nature and seriousness of the violation and the efforts to remedy the violation.

(d) Nothing in this section may be construed to limit or affect the exclusive jurisdiction of the Commodity Futures Trading Commission under the Commodity Futures Trading Act (7 U.S.C. 1 et seq.).

SEC. 317. FEDERAL-STATE LIQUEFIED NATURAL GAS FORUMS.

(a) In General.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation and consultation with the Secretary of Transportation, the Secretary of Homeland Security, the Federal Energy Regulatory Commission, the governors of the Coastal States, shall convene not less than 3 forums on liquefied natural gas.

(b) REQUIREMENTS.—Each forum shall—

(1) be located in areas where liquefied natural gas facilities are under consideration;

(2) be designed to foster dialogue among Federal, regional, State and local officials, public, independent experts, and industry representatives; and

(3) provide an opportunity for public education and dialogue on—

(A) the role of liquefied natural gas in meeting current and future United States energy supply requirements and demand, in the context of the full range of energy supply options;

(B) the Federal and State siting and permitting processes;

(C) the potential risks and rewards associated with importing liquefied natural gas;

(D) the Federal safety and environmental requirements (including regulations) applicable to liquefied natural gas;

(E) prevention, mitigation, and response strategies for liquefied natural gas hazards; and

(F) additional issues as appropriate.

(c) PURPOSE.—The purpose of the forums shall be to identify and develop best practices for addressing the issues and challenges associated with liquefied natural gas imports, building on existing cooperative efforts.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 318. PROHIBITION OF TRADING AND SERVING BY CERTAIN INDIVIDUALS.

Section 20 of the Natural Gas Act (15 U.S.C. 717a) is amended by adding at the end the following:

“(4) In any proceedings under subsection (a), the court may prohibit, conditionally or unconditionally, and permanently or for such period of time as the court determines, any individual who has engaged or is engaged in practices constituting a violation of section 4A (including related rules and regulations) from—

(A) acting as an officer or director of a natural gas company; or

(B) the purchasing or selling of natural gas; or

(C) the purchasing or selling of transmission services subject to the jurisdiction of the Commission.

Subtitle C—Production

SEC. 321. OUTER CONTINENTAL SHELF PROVISIONS.

(a) STORAGE ON THE OUTER CONTINENTAL SHELF.—Section 5(a)(5) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(5)) is amended by inserting “‘sand gas’” after “natural gas.”

(b) NATURAL GAS DEFINED.—Section 13 of the Deepwater Port Act of 1974 (33 U.S.C. 1502(13)) is amended by adding at the end the following:

“&quot;Sand gas&quot; means liquefied petroleum gas and condensate recovered from natural gas.”

SEC. 322. HYDRAULIC FRACTURING.

Paragraph (1) of section 1421(d) of the Safe Drinking Water Act (42 U.S.C. 300h(d)) is amended to read as follows:

“(1) UNDERGROUND INJECTION.—The term ‘underground injection’ means—

(A) the subsurface emplacement of fluids by well injection; and

(B) includes—

(i) the underground injection of natural gas for purposes of storage; and

(ii) the underground injection of saline fluids or other fluids other than diesel fuels pursuant to hydraulic fracturing operations related to oil, gas, or geothermal production activities.”

present the construction, expansion, or operation of the facility subject to section 3 or section 7, the Court shall remand the proceeding to the agency to take appropriate action consistent with this Act.

(4) COMMISSION ACTION.—For any action described in this subsection, the Commission shall file with the Court the consolidated record of such order or action to which the appeal hereunder relates.

(5) EXPEDITED REVIEW.—The Court shall set any action brought under this subsection for expedited review.

SEC. 314. PENALTIES.

(a) CRIMINAL PENALTIES.—

(1) NATURAL GAS ACT.—Section 21 of the Natural Gas Act (15 U.S.C. 717t) is amended—

(A) in subsection (a), by striking "$5,000" and inserting "$1,000,000"; and

(B) in subsection (b), by striking "$900" and inserting "$50,000".

(2) NATURAL GAS POLICY ACT OF 1978.—Section 504(c) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3414(c)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "$5,000" and inserting "$1,000,000";

(ii) in subparagraph (B), by striking "two years" and inserting "five years"; and

(B) in paragraph (2), by striking "$500 for each violation" and inserting "$50,000 for each day on which the offense occurs".

(b) CIVIL PENALTIES.—

(1) NATURAL GAS ACT.—The Natural Gas Act (15 U.S.C. 717t et seq.) is amended—

(A) by redesignating sections 22 through 24 as sections 24 through 26, respectively; and

(B) by inserting after section 21 (15 U.S.C. 717t) the following:

“CIVIL PENALTY AUTHORITY

‘‘Sec. 22. (a) Any person that violates this Act, or any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this Act, shall be subject to a civil penalty of not more than $1,000,000 per day per violation for as long as the violation continues.

(b) The penalty shall be assessed by the Commission after notice and opportunity for public hearing.

(c) In determining the amount of a proposed penalty, the Commission shall take into consideration the nature and seriousness of the violation and the efforts to remedy the violation.”.


(A) in clause (i), by striking "$5,000" and inserting "$1,000,000"; and

(B) in clause (ii), by striking "$500" and inserting "$50,000".

SEC. 315. MARKET MANIPULATION.

The Natural Gas Act is amended by inserting after section 24 (15 U.S.C. 717t(c)) the following:

“PROHIBITION ON MARKET MANIPULATION

‘‘Sec. 4A. It shall be unlawful for any entity, directly or indirectly, to use or employ, in connection with the purchase or sale of natural gas or the delivery of transportation services subject to the jurisdiction of the Commission, any manipulative or deceptive device or contrivance (as those terms are used in section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78j(b))) in contravention of such rules and regulations as the Commission may prescribe as necessary in the public interest or for the protection of the natural gas market and ratepayers. Nothing in this section shall be construed to create a private right of action.”.”
SECTION 332. OIL, GAS EXPLORATION AND PRODUCTION DEFINED.

Section 302 of the Federal Water Pollution Control Act (33 U.S.C. 1252) is amended by adding at the end the following:

"(28) OIL AND GAS EXPLORATION AND PRODUCTION.—The term ‘oil and gas exploration, production, development, or transmission facilities’ means all field activities or operations associated with exploration, production, processing, or treatment operations, or transmission activities, including activities necessary to prepare a site for drilling and for the movement and placement of drilling equipment, whether or not such field activities or operations may be considered to be construction activities."

Subtitle D—Naval Petroleum Reserve

SECTION 331. TRANSFER OF ADMINISTRATIVE JURISDICTION AND ENVIRONMENTAL RECOVERY ACCOUNT FOR THE NAVAL PETROLEUM RESERVE NUMBERED 2, KERN COUNTY, CALIFORNIA.

(a) ADMINISTRATIVE JURISDICTION TRANSFER TO SECRETARY OF THE INTERIOR.—Effective on the date of the enactment of this Act, administrative jurisdiction and control over all public domain lands included within Naval Petroleum Reserve Numbered 2 located in Kern County, California, (other than the lands specified in subsection (b)) are transferred from the Secretary of the Interior to the Secretary of Defense, subject to subsection (c), in accordance with the laws governing management of public lands, and the regulations promulgated under the Mineral Leasing Act (30 U.S.C. 181 et seq.) and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(b) EXCLUSION OF CERTAIN RESERVE LANDS.—The transfer of administrative jurisdiction made by subsection (a) does not include the following lands:


(2) That portion of the surface estate of Naval Petroleum Reserve Numbered 2 conveyed to the City of Taft, California, by section 333.

(c) PURPOSE OF TRANSFER.—(1) PRODUCTION OF HYDROCARBON RESOURCES.—Notwithstanding any other provision of law, the purpose of the transfer is to vest the administrative jurisdiction and control over all public lands included within Naval Petroleum Reserve Numbered 2, Kern County, California, (other than the lands specified in subsection (b)) to the Secretary of Defense in order to transfer under subsection (a) the production of hydrocarbon resources, and the Secretary of the Interior shall manage the lands in a fashion that ensures the protection and enhancement of the security of the United States, except that the United States and the Secretary shall have no right of surface use or occupancy of the lands. Nothing in this subsection shall be construed to require the United States or its lessees, licensees, permittees, or assignees shall have no right of surface use or occupancy of the lands. Nothing in this subsection shall be construed to require the United States or its lessees, licensees, permittees, or assignees to support the surface of the conveyance or to provide for any pipeline, other than as the Secretary, in its discretion, determines. The City shall indemnify, defend, and hold harmless the United States, its assigns, employees, and the City shall assume all responsibility for any and all liability of any kind or nature, including, all loss, cost, expense, or damage, arising out of or in connection with the City’s use or occupancy of, or operations on, the land conveyed under subsection (a), whether such use or occupancy of, or operations on, occurred before or occur after the date of the enactment of this Act.

(2) INSTRUMENT OF CONVEYANCE.—Not later than one year after the date of the enactment of this Act, the Secretary shall execute, file, and cause to be recorded the appropriate official deed or other appropriate instrument documenting the conveyance made by this section.

SECTION 332. REVOCATION OF LAND WITHDRAWAL.

Effective on the date of the enactment of this Act, the Executive Order of December 13, 1912, which created Naval Petroleum Reserve Numbered 2, is revoked in its entirety.

Subtitle E—Production Incentives

SECTION 332A. PROGRAM ON OIL AND GAS ROYALTIES IN-KIND.

(a) APPLICABILITY OF SECTION.—Notwithstanding any other provision of law, this section applies to all royalty in-kind accepted by the Secretary on or after the date of enactment of this Act under any Federal oil or gas lease permit under—

(1) section 36 of the Mineral Leasing Act (30 U.S.C. 181); or

(2) section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353); or

(3) any other Federal law governing leasing of Federal land for oil and gas extraction or production.

(b) TERMS AND CONDITIONS.—All royalty accruing to the United States shall, on the demand of the Secretary, be paid in-kind. If the Secretary invokes such a demand, the lessee of the royalty amount and quality due under the lease shall be subject to review and audit.

(1) SATISFACTION OF ROYALTY OBLIGATION.— Delivery by, or on behalf of, the lessee of the royalty amount and quality due under the lease shall be subject to review and audit.

(2) MARKETABLE CONDITION.—In this paragraph, the term “marketable condition” means sufficiently free from impurities

referred to as the “lease revenue account”). The lease revenue account is a revolving account, and amounts in the lease revenue account shall be available to the Secretary of the Interior, without further appropriation, for the purposes specified in subsection (b).

(b) PURPOSES OF ACCOUNT.—(1) LEASED COSTS.—The lease revenue account shall be the sole and exclusive source of funds to pay for any and all costs and expenses incurred by the United States for—

(A) environmental investigations (other than any environmental investigations that were conducted by the Secretary before the transfer of the Naval Petroleum Reserve Numbered 2 lands under section 331), remediation, compliance actions, response, waste management, impediments, fines or penalties, or any other costs or expenses of any kind arising from, or relating to, conditions existing on or below the Naval Petroleum Reserve Numbered 2 lands, or activities occurring or having occurred on such lands, on or before the date of the transfer of such lands; and

(B) any future remediation necessitated as a result of pre-transfer and leasing activities on such lands.

(2) TRANSITION COSTS.—The lease revenue account shall also be available for use by the Secretary of the Interior to pay for transition costs incurred in connection with the transfer and leasing of the Naval Petroleum Reserve Numbered 2 lands.

(c) FUNDING.—The lease revenue account shall consist of the following:

(1) Withholding under section (a) of any proceeds from the disposal or transfer of the Naval Petroleum Reserve Numbered 2 lands, shall be deposited into the lease revenue account.

(2) Subject to subsection (d), all revenues derived from leases on Naval Petroleum Reserve Numbered 2 lands issued on or after the date of the transfer of such lands, including bonuses, rents, royalties, and interest charges collected pursuant to the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.), derived from the Naval Petroleum Reserve Numbered 2 lands, shall be deposited into the lease revenue account.

(d) LIMITATION.—(1) FUNDs in the lease revenue account shall not exceed $3,000,000 at any one time. Whenever funds in the lease revenue account are obligated or expended so that the balance in the account falls below that amount, lease revenues referred to in subsection (c)(2) shall be deposited in the account to maintain a balance of $3,000,000.

(e) TERMINATION OF ACCOUNT.—At such time as the Secretary of the Interior certifies that remediation of all environmental contamination of Naval Petroleum Reserve Numbered 2 lands in existence as of the date of the transfer of such lands under section 331 has been successfully completed, that all costs and expenses of investigation, remediation, compliance actions, response, waste management, impediments, fines, or penalties associated with environmental contamination of such lands in existence as of the date of the transfer have been paid in full, and that the transition costs of the Department of the Interior referred to in subsection (b)(2) have been paid in full, the lease revenue account shall be terminated and any remaining funds shall be distributed in accordance with subsection (f).

(f) DISTRIBUTION OF REMAINING FUNDS.—Section 35 of the Mineral Leasing Act (30 U.S.C. 192) that shall be the distribution of all funds remaining in the lease revenue account upon its termination under subsection (e).
and otherwise in a condition that the royalty production will be accepted by a purchaser under a sales contract typical of the field or area in which the royalty production was produced.

(B) REQUIREMENT.—Royalty production shall be placed in marketable condition by the lessee at no cost to the United States.

(C) DISPOSITION BY THE SECRETARY.—The Secretary may—

(A) sell or otherwise dispose of any royalty production taken-in-kind (other than oil or gas transported under section 27a(a)(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1353(a)(3)) for not less than the market price; and

(B) transport or process (or both) any royalty production taken-in-kind.

(D) RETENTION BY THE SECRETARY.—The Secretary may retain any royalty production that produces in any State except as otherwise prohibited by Federal law.

(1) REPORTS ON OIL OR GAS ROYALTIES TAKEN IN-KIND.—

(A) DEFINITION.— Except as provided in subsection (B), the Secretary may not use revenues from the sale of oil and gas taken in-kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use oil or gas received as royalty taken in-kind (referred to in this paragraph as “royalty production”) to pay the costs of—

(1) transporting the royalty production;

(2) processing the royalty production;

(3) disposing of the royalty production;

(4) administrative costs of the Federal Government.

(B) EXCLUSION.—Notwithstanding subparagraph (A), the Secretary may use a portion of the revenues from the royalty-in-kind sales, without fiscal year limitation, to pay salaries and other administrative costs directly related to the royalty-in-kind program.

(C) REIMBURSEMENT OF COST.—If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the royalty gas or delivers the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary shall—

(1) reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs; and

(2) allow the lessee to deduct the transportation or processing costs in reporting and paying royalties in-value for other Federal oil and gas leases.

(D) BENEFIT TO THE UNITED STATES REQUIRED.—The Secretary may receive oil or gas royalties in-kind only if the Secretary determines that receiving royalties in-kind provides benefits to the United States that are greater than or equal to the benefits that are likely to have been received had royalties been taken in-value.

(E) REPORTS.—

(1) GENERAL.—Not later than September 30, 2006, the Secretary shall submit to Congress a report that addresses—

(A) actions taken to develop business processes and automated systems to fully support the royalty-in-kind capability to be used in tandem with the royalty-in-value approach in managing Federal oil and gas revenue; and

(B) future royalty-in-kind businesses operation plans and objectives.

(2) REPORTS ON OIL OR GAS ROYALTIES TAKEN IN-KIND.—For each of fiscal years 2006 through 2015 in which the United States takes oil or gas royalty production in any State or from the outer Continental Shelf, excluding royalties taken in-kind and sold to refiners under subsection (h), the Secretary shall submit to Congress a report that describes—

(A) the 1 or more methodologies used by the Secretary to determine compliance with subsection (d), including the performance standard for comparing amounts received by the United States derived from royalties in-kind to amounts likely to have been received had royalties been taken in-kind.

(B) an explanation of the evaluation that led the Secretary to take royalties in-kind from a lessee or group of lessees and the expected revenue effect of taking royalties in-kind.

(C) actual amounts received by the United States derived from taking royalties in-kind and drops and other payments received by the United States associated with taking royalties in-kind, including administrative savings and any new or increased administrative costs; and

(D) an explanation of any relevant public benefits or detriments associated with taking royalties in-kind.

(F) DEDUCTION OF EXPENSES.—

(1) IN GENERAL.—Before making payments under section 35 of the Mineral Leasing Act (30 U.S.C. 191) or section 6(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1357(g)) of revenues derived from the sale of royalty production taken-in-kind from a lease, the Secretary may reduce any payments under subsections (b)(4) and (c) and deposit the amount of the deductions in the miscellaneous receipts of the Treasury.

(2) ACCOUNTING FOR DEDUCTIONS.—When the Secretary allows the lessee to deduct transportation or processing costs under subsection (c), the Secretary may not reduce any payments to recipients of revenues derived from any other Federal oil and gas lease as a consequence of that deduction.

(G) CONSULTATION WITH STATES.—The Secretary shall—

(1) consult with a State before conducting a royalty-in-kind program under this subtitle within that State; and

(2) may delegate management of any portion of the Federal royalty-in-kind program to a State except as otherwise prohibited by Federal law.

(H) SMALL REFINERIES.—

(1) PREFERENCE.—If the Secretary finds that sufficient supply of crude oil or natural gas is not available in the open market to refiners that do not have their own source of supply for crude oil, the Secretary may grant preference to those refiners that refine oil or gas acquired or reserved to the United States under Federal oil and gas leases issued under any mineral leasing law, for processing or use in those refineries at private sale at the market price.

(2) PRODUCTION AMONG REFINERS IN PRODUCTION AREA.—In disposing of oil under this section, the Secretary may, at the discretion of the Secretary, prescribe the quantity, type, and quality of any crude oil or gas available to refineries described in paragraph (1) in the area in which the oil is produced.

(I) DISPOSITION TO FEDERAL AGENCIES.—

(1) ONSHORE ROYALTY.—Any royalty oil or gas taken by the Secretary in-kind from onshore oil and gas leases may be sold at not less than the market price per unit.

(2) OFFSHORE ROYALTY.—Any royalty oil or gas taken in-kind from a Federal oil or gas lease on the outer Continental Shelf may be disposed of only under section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353).

(J) FEDERAL LOW-INCOME ENERGY ASSISTANCE PROGRAMS.—

(1) PREFERENCE.—In disposing of royalty oil or gas taken in-kind under this section, the Secretary shall give preference, including any Federal or State agency, for the purpose of providing additional resources to any Federal low-income energy assistance program.

(2) FUTURE PRODUCTION.—Not less than 90 days after the date of enactment of this Act, the Secretary shall submit a report to Congress—

(A) assessing the effectiveness of granting preferences specified in paragraph (1); and

(B) providing a specific recommendation on the continuation of authority to grant preferences.

SEC. 343. MARGINAL PROPERTY PRODUCTION INCENTIVES.

(A) DEFINITION OF MARGINAL PROPERTY.—Until such time as the Secretary issues regulations under subsection (e) that prescribe different standards or requirements, the Secretary shall reduce the royalty rate on—

(1) oil production from marginal properties as prescribed in subsections (b) and (c) if the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, is, on average, less than $25 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days;

(2) gas production from marginal properties as prescribed in subsection (c) if the spot price of natural gas delivered at Henry Hub, Louisiana, is, on average, less than $2.00 per million British thermal units (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days.

(B) CONDITIONS FOR REDUCTION OF ROYALTY RATE.—Until such time as the Secretary issues regulations under subsection (e) that prescribe different standards or requirements, the Secretary shall reduce the royalty rate on—

(1) oil production from marginal properties as prescribed in subsections (b) and (c) if the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, is, on average, less than $25 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days;

(2) gas production from marginal properties as prescribed in subsection (c) if the spot price of natural gas delivered at Henry Hub, Louisiana, is, on average, less than $2.00 per million British thermal units (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days.

(c) REDUCED ROYALTY RATE.—

(1) IN GENERAL.—When a marginal property meets the conditions specified in subsection (b), the royalty rate shall be the lesser of—

(A) 5 percent; or

(B) the applicable rate under any other statutory or regulatory royalty relief provision that applies to the affected production.

(2) PERIOD OF EFFECTIVENESS.—The reduced royalty rate under this section shall be effective beginning on the first day of the production month following the date on which the applicable condition specified in subsection (b) is met.

(3) TERMINATION OF REDUCED ROYALTY RATE.—A royalty rate prescribed in subsection (c)(1) shall terminate—

(A) with respect to oil production from a marginal property, on the first day of the production month following the date on which

(1) the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, on average, exceeds $25 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; or

(B) the property no longer qualifies as a marginal property; and

(2) with respect to gas production from a marginal property, on the first day of the production month following the date on which

(1) the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, on average, exceeds $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; or

(B) the property no longer qualifies as a marginal property.

(E) REGULATIONS PRESCRIBING DIFFERENT REQUIREMENTS FOR DISCRETIONARY REGULATIONS.—The Secretary may by regulation prescribe different parameters, standards, and requirements for, and
a different degree or extent of, royalty relief for marginal properties in lieu of those prescribed in subsections (a) through (d).

(2) MANDATORY REGULATIONS.—Unless a determination paragraph (3), not later than 18 months after the date of enactment of this Act, the Secretary shall by regulation—

(A) prescribe standards and requirements for, and any other regulations that may provide royalty incentives for oil and gas leases on the Outer Continental Shelf; and

(B) define what constitutes a marginal property on the Outer Continental Shelf for purposes of this section.

(3) REPORT.—To the extent the Secretary determines that it is not practicable to issue the regulations required by paragraph (1), in carrying out this subsection, the Secretary shall provide a report to Congress explaining such determination by not later than 18 months after the date of enactment of this Act.

(4) CONSIDERATIONS.—In issuing regulations under this subsection, the Secretary may consider—

(A) oil and gas prices and market trends;

(B) production costs;

(C) abandonment costs;

(D) Federal and State tax provisions and the effects of those provisions on production economics;

(E) other royalty relief programs;

(F) regional differences in average wellhead prices;

(G) national energy security issues; and

(H) other relevant matters, as determined by the Secretary.

(f) SAVINGS PROVISION.—Nothing in this section prevents a lessee from receiving royalty relief or a royalty reduction pursuant to any other comparable provisions (including a regulation) that provides more relief than the amounts provided by this section.

SEC. 344. INCENTIVES FOR NATURAL GAS PRODUCTION FROM DEEP WELLS IN THE SHALLOW WATERS OF THE GULF OF MEXICO.

(a) ROYALTY INCENTIVE REGULATIONS FOR ULTRA DEEP GAS WELLS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, in addition to any other regulations that may provide royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary shall issue regulations granting royalty relief suspension volumes with respect to production of natural gas from deep wells issued in water more than 200 meters but less than 400 meters deep located in the Gulf of Mexico wholly west of 87 degrees, 30 minutes west longitude. The suspension volumes for deep wells within 200 to 400 meters of water depth shall be calculated using the same methodology used to calculate the suspension volumes for deep wells in the shallower waters of the Gulf of Mexico, and in no case shall the suspension volumes for deep wells within 200 to 400 meters of water depth be lower than those for deep wells in shallower waters.

(b) ROYALTY INCENTIVE REGULATIONS FOR DEEP GAS WELLS.—Not later than 180 days after the date of enactment of this Act, in addition to any other regulations that may provide royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary shall issue regulations granting royalty relief suspension volumes with respect to production of natural gas from deep wells issued in water more than 200 meters but less than 400 meters deep located in the Gulf of Mexico wholly west of 87 degrees, 30 minutes west longitude. The suspension volumes for deep wells within 200 to 400 meters of water depth shall be calculated using the same methodology used to calculate the suspension volumes for deep wells in the shallower waters of the Gulf of Mexico, and in no case shall the suspension volumes for deep wells within 200 to 400 meters of water depth be lower than those for deep wells in shallower waters.

(c) LIMITATIONS.—The Secretary may place limitations on the royalty relief granted under this section based on market price. The royalty relief granted under this section shall not apply to a lease for which deep water royalty relief is available.

SEC. 345. ROYALTY RELIEF FOR DEEP WATER PRODUCTION.

(a) IN GENERAL.—Subject to subsections (b) and (c), for each tract located in water depths of greater than 400 meters in the Western and Central Planning Area of the Gulf of Mexico (including the portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude), any oil or gas lease sale under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) occurring during the 5-year period beginning on the date of enactment of this Act shall use the bidding system authorized under section 8(a)(1)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(B)).

(b) SUSPENSION OF ROYALTIES.—The suspension of royalties under subsection (a) shall be established at a volume of not less than—

(1) 5,000,000 barrels of oil equivalent for each lease in water depths of greater than 400 meters, and

(2) 9,000,000 barrels of oil equivalent for each lease in water depths of 800 to 1,600 meters;

(c) LIMITATIONS.—The Secretary may place limitations on royalty relief granted under this section based on market price.

SEC. 346. ALASKA OFFSHORE ROYALTY SUSPENSION.

Section 8(a)(3)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B)) is amended by inserting “and in the Planning Area offshore Alaska” after “West longitude”.

SEC. 347. OIL AND GAS LEASING IN THE NATIONAL PETROLEUM RESERVE IN ALASKA.

(a) TRANSFER OF AUTHORITY.—


(A) by striking the heading and all that follows through “Provided. That (1) activities”; and

(b) COMPETITIVE LEASING.—Section 107 of the National Petroleum Reserve Act of 1976 (42 U.S.C. 6506).—

(1) IN GENERAL.—The Secretary shall conduct an expeditious program of competitive leasing of oil and gas in the Reserve in accordance with this Act.

(2) RELATIONSHIP OF ADVERSE EFFECTS.—Activities;

(3) by striking “Alaska (the Reserve); (2) the” and inserting “Alaska.”

(c) LAND USE PLANNING; BLem WILDERNESS STUDY.—(The);—

(4) FIRST LEASE SALE.—The;—

(4) by striking “4322;” (4) the; and inserting “4322 et seq.”

(c) WITHDRAWALS.—(The);—

(g) GEOLOGICAL STRUCTURES.—Lease;

(b) by striking “structures;” (7) the; and inserting “structures.”

(b) SIZE OF LEASE TRACS.—The;

(8) by striking “Secretary;” (8) and all that follows through “Drilling, production,” and inserting “Secretary.”

(d) TERMS.—

(1) IN GENERAL.—Each lease shall be issued for an initial period of not more than 10 years, and shall be extended for so long thereafter as oil or gas is produced from the lease in paying quantities, oil or gas is capable of being produced in paying quantities, or drilling or reworking operations, as approved by the Secretary, are conducted on the leased land.

(2) RENEWAL OF LEASES WITH DISCOVERIES.—At the end of the primary term the Secretary shall renew for an additional 10-year term a lease that does not meet the requirements of paragraph (1) if the lessee submits to the Secretary an application for renewal not later than 60 days before the expiration of the primary lease and the lessee certifies, and the Secretary agrees, that hydrocarbon resources were discovered on one or more wells drilled on the leased land in such quantities that a prudent operator would hold the lease for potential future development.

(3) RENEWAL OF LEASES WITHOUT DISCOVERIES.—At the end of the primary term of a lease the Secretary shall renew for an additional 10-year term a lease that does not meet the requirements of paragraph (1) if the lessee submits to the Secretary an application for renewal not later than 60 days before the expiration of the primary lease and pays the Secretary a renewal fee of $100 per acre of leased land, and—

(A) the lessee provides evidence, and the Secretary agrees that, the lessee has diligently pursued exploration that warrants continuation with the intent of continued exploration or future potential development of the leased land; or

(B) all or part of the lease—

(i) is part of a lease agreement covering a lease described in subparagraph (A); and

(ii) has not been previously contracted out of the unit.

(e) APPLICABILITY.—This subsection applies to a lease that is in effect on or after the date of enactment of the Energy Policy Act of 2005.
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“(5) EXPLOSION FOR FAILURE TO PRODUCE.—
Notwithstanding any other provision of this Act, if no oil or gas is produced from a lease within 30 years after the date of the issuance of the lease, the lease shall expire.

“(6) TERMINATION.—No lease issued under this section covering lands capable of producing oil or gas shall expire because the lessee fails to produce the same due to circumstances beyond the control of the lessee.

“(i) UNIT AGREEMENTS.—

(1) IN GENERAL.—For the purpose of conservation of the natural resources of all or part of any oil or gas pool, field, reservoir, or like area, lessors (including representatives of the pool, field, or reservoir) or like area may unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit agreement for all or part of the pool, field, reservoir, or like area (whether or not any part of the oil or gas pool, field, reservoir, or like area is already subject to any cooperative or unit plan of development or operation), if the Secretary determines the action to be necessary or advisable in the public interest. In determining the public interest, the Secretary should consider, among other things, the extent to which the unit agreement will minimize the impact to surface resources of the leases and will facilitate consolidation of facilities.

“(2) M EMBERSHIP.—

(a) In making a determination under paragraph (1), the Secretary shall consult with and provide opportunities for participation by the Arctic Slope Regional Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) with respect to the creation or expansion of an area that includes land within which the State of Alaska or the Regional Corporation has an interest in the mineral estate.

“(3) PRODUCTION ALLOCATION METHODOLOGY.—

(A) The Secretary may use a production allocation methodology for each participating area within a unit that includes solely Federal land in the Reserve.

(B) The Secretary shall use a production allocation methodology for each participating area within a unit that includes Federal land in the Reserve and non-Federal land based on the characteristics of each specific oil or gas pool, field, reservoir, or like area to take into account reservoir heterogeneity and area variation in reservoir producibility across diverse leasehold interests. Directions of the Bureau of Land Management production allocation methodology shall be controlled by agreement among the affected lessors and lessees.

“(4) BENEFIT OF OPERATIONS.—

Drilling, production,

“(5) POOLING.—If separate,

(9) by striking “When separate” and inserting the following:

“Pooling.”

(10) by inserting “in consultation with the owners of the other land” after “determined by the Secretary of the Interior”;

(11) by striking “thereto; (10)” to and all that follows through “the terms provided therein” and inserting “to the agreement.”

“(k) EXPLOSION INCENTIVES.—

“(1) IN GENERAL.—

(1) SUSPENSION, OR REDUCTION.—To encourage the greatest ultimate recovery of oil or gas or in the interest of conservation, the Secretary may waive, suspend, or reduce the rental fees or minimum royalties, or both, payable by lessees on an entire leasehold (including on any lease operated pursuant to a unit agreement), whenever (after consultation with the State of Alaska and the Alaska Native Claims Settlement Act) the Secretary determines that the concurrence of any Regional Corporation for leases that include land that was made available for acquisition by the Regional Corporation under section 1431(a) of the Alaska Native Interest Lands Conservation Act (16 U.S.C. 3101 et seq.) in the judgment of the Secretary it is necessary to do so to promote development, and in the judgment of the Secretary the leases cannot be successively operated under the terms provided therein.

“(8) APPLICABILITY.—This paragraph applies to a lease that is in effect on or after the date of enactment of the Energy Policy Act of 2005.

“(12) by striking “The Secretary is authorized to” and inserting the following:

“(2) SUSPENSION OF OPERATIONS AND PRODUCTION.—The Secretary may:

(13) by striking “In the event” and inserting the following:

“(3) SUSPENSION OF PAYMENTS.—If—

(14) by striking “thereto; and (11)” all and inserting “to the lease.

“(15) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively,

(16) by striking “Any agency” and inserting the following:

“Environmental Impact Statements.—Any agency;

“(17) by striking “Any action” and inserting the following:

“Explanations.—Any agency;

“(18) by striking “Any action” and inserting the following:

“Waiver of Administration for Conveyed Lands.—

(1) IN GENERAL.—Notwithstanding section 14(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(g))

(A) the Secretary of the Interior shall waive administration of any oil and gas lease to the extent that the lease covers any land in the Reserve in which all of the subsurface estate is conveyed to the Arctic Slope Regional Corporation to manage the estate (referred to in this subsection as the “Corporation”);

(B)(i) in a case in which a conveyance of a subsurface estate described in subparagraph (A) does not include all of the land covered by the oil and gas lease, the person that owns the subsurface estate in any particular portion of the land the Secretary waives administration to all of the revenues received under the lease as to that portion, including, without limitation, all the royalty attributable to oil or gas produced from or allocated to that portion;

(ii) in a case described in clause (i), the Secretary of the Interior shall—

(1) segregate the lease into 2 leases, 1 of which shall cover only the subsurface estate conveyed to the Corporation; and

(2) waive administration of the lease that covers the subsurface estate conveyed to the Corporation;

and

(iii) the segregation of the lease described in clause (ii)(I) has no effect on the obligations of the lessee under either of the resulting leases; including obligations relating to operations, production, or other circumstances (other than payment of rentals or royalties); and

(C) nothing in this subsection limits the authority of the Secretary of the Interior to manage the federally-owned surface estate within the Reserve,

(c) CONFORMING AMENDMENTS.—Section 104 of the Naval Petroleum Reserves Production Act of 1976 (42 Stat. 304; 42 U.S.C. 6504) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b) through (d) as subsections (a) through (c), respectively.

SEC. 348. NORTH SLOPE SCIENCE INITIATIVE

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of the Interior shall establish an initiative to be known as the “North Slope Science Initiative” (referred to in this section as the “Initiative”)

(b) OBJECTIVES.—To ensure that the Initiative is conducted through a comprehensive science strategy and implementation plan, the Initiative shall, at a minimum—

(1) identify and prioritize information needs for inventory, monitoring, and research activities to address the cumulative effects, past, ongoing, and anticipated development activities and environmental change on the North Slope.

(2) develop an understanding of information needs for regulatory and land management agencies, local governments, and the public.

(3) focus on priorities to support natural resource management and ecosystem information needs, coordination, and cooperation among agencies and organizations.

(4) coordinate ongoing and future inventory, monitoring, and research activities to minimize duplication of effort, share financial resources and expertise, and ensure the quality of information.

(5) identify priority needs not addressed by agency science programs in effect on the date of enactment of this Act and develop a funding strategy to meet those needs.

(6) provide a consistent approach to high caliber science, including inventory, monitoring, and research;

(7) maintain and improve public and agency access to—

(A) accumulated and ongoing research; and

(B) contemporary and traditional local knowledge; and

(8) ensure through appropriate peer review that the science conducted by participating agencies and organizations is of the highest technical quality.

(c) MEMBERSHIP.—

(1) IN GENERAL.—To ensure comprehensive collection of scientific data, in carrying out the Initiative, the Secretary shall consult and coordinate with Federal, State, and local agencies that have responsibilities for land and resource management across the North Slope.

(2) COOPERATIVE AGREEMENTS.—The Secretary shall enter into cooperative agreements with the State of Alaska, the North Slope Borough, the Arctic Slope Regional Corporation, and other Federal agencies as appropriate to coordinate efforts, share resources, and fund projects under this section.

(d) SCIENCE TECHNICAL ADVISORY PANEL.—

(1) IN GENERAL.—The Initiative shall include a panel to provide advice on proposed inventory, monitoring, and research functions.

(2) MEMBERSHIP.—The panel described in paragraph (1) shall consist of a representative group of no more than 15 scientists and technical experts from diverse professional interests, including the oil and gas industry, subsistence users, Native Alaskan entities, conservation organizations, wildlife management organizations, and academia, as determined by the Secretary.

(e) REPORTS.—Not later than 3 years after the date of enactment of this section and each year thereafter, the Secretary shall publish a report that describes the studies and findings of the Initiative.

(f) AUTHORIZATION OF APPROPRIATIONS.—The sums as are necessary to carry out this section.

SEC. 349. ORPHANED, ABANDONED, OR IDLED WELLS ON FEDERAL LAND.

(a) IN GENERAL.—The Secretary of the Agriculture, after consultation with the Secretary of Agriculture, shall establish a program not later than 1 year after the date of enactment of this Act to remediate, rehabilitate, close orphaned, abandoned, or idled oil and gas wells located on land administered by the land management agencies within the State of Alaska, the North Slope Borough of Alaska, and the Arctic Slope Regional Corporation as well as on the land administered by the State of Alaska.
The Secretary of Energy shall establish a program to provide technical and financial assistance to oil and gas producing States to facilitate State efforts over a 10-year period to address a practical and economical remedy for environmental problems caused by orphaned or abandoned oil and gas exploration or production well sites on State or private land.

The Secretary shall submit to Congress a plan for the implementation of the Program.

The Program shall provide for the storage of data and samples through data repositories operated by such agencies.

The Secretary may not designate a State agency as a component of the data archive system unless that agency is the agency that acts as the geological survey in the State.

The data archive system shall provide for the archiving of relevant subsurface data and samples obtained from Federal land that (A) in the most appropriate repository designated under paragraph (2), with preference given to archiving significant data and preventing the loss of such data, and the scientific progress of the studies funded under the Program.

The Advisory Committee shall perform the following duties:

(1) ADVISORY COMMITTEE. The Advisory Committee shall advise the Secretary on developing guidelines and procedures for providing assistance for facilities under subsection (g)(1).

(2) REVIEW. The Secretary shall review and critique the draft implementation plan prepared by the Secretary under subsection (c).

(3) IDENTITY. The Advisory Committee shall identify useful studies of data archived under the Program that will advance understanding of the Nation’s energy and mineral resources, geologic hazards, and engineering geology.

(4) PROGRESS. The Secretary shall review the progress of the Program in archiving significant data and preventing the loss of such data, and the scientific progress of the studies funded under the Program.

(5) ARCHIVE FACILITIES. The Secretary shall provide financial assistance to a State agency that is designated under subsection (d)(2) for providing facilities to archive energy material.

(6) STUDIES. The Secretary shall provide financial assistance to any State agency designated under subsection (d)(2) for conducting technical and financial assistance activities that enhance understanding, interpretation, and use of materials.
shall in addition to any other royalty relief under any other provision applicable to the lease that does not specifically grant a gas hydrate production incentive. Such royalty suspension shall be applied to any production occurring on or after the date of publication of the advanced notice of proposed rulemaking.

(4) LIMITATION.—The Secretary may place limitations on royalty relief granted under this section based on market price.

(c) APPLICATION.—This section shall apply to any eligible lease issued before, on, or after the date of enactment of this Act.

(d) RULEMAKING.—

(1) REQUIREMENTS.—The Secretary shall publish the advanced notice of proposed rulemaking within 180 days after the date of enactment of this Act and complete the rulemaking implementing this section within 365 days after the date of enactment of this Act.

(2) GAS HYDRATE RESOURCES DEFINED.—Such regulations shall define the term “gas hydrate resources” to include both the natural gas content of gas hydrates within the hydrate stability zone and free natural gas trapped by and beneath the hydrate stability zone.

(e) REVIEW.—Not more than 365 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Energy, shall carry out a review of, and submit to Congress a report on, the evidence of recent progress in production of natural gas from gas hydrate resources on the outer Continental Shelf and on Federal lands in Alaska through the provision of other production incentives or through technical or financial assistance.

SEC. 354. ENHANCED OIL AND NATURAL GAS PRODUCTION THROUGH CARBON DIOXIDE INJECTION.

(a) PRODUCTION INCENTIVE.—

(1) FINDINGS.—Congress finds the following:

(A) Approximately two-thirds of the original oil in place in the United States remains unproduced.

(B) Enhanced oil and natural gas production from the sequestering of carbon dioxide and other appropriate gases has the potential to increase oil and natural gas production.

(C) Capturing and productively using carbon dioxide would help reduce the carbon intensity of the economy.

(2) PURPOSE.—The purpose of this section is—

(A) to promote the capturing, transportation, and injection of carbon dioxide, natural carbon dioxide, and other appropriate gases or other matter for sequestration into oil and gas fields; and

(B) to promote enhanced oil and natural gas production from the outer Continental Shelf and onshore Federal lands under lease by providing royalty incentives to use enhanced recovery techniques when injecting the substances referred to in subparagraph (A).

(b) SUSPENSION OF ROYALTIES.—

(1) IN GENERAL.—The Secretary may grant royalty relief in accordance with this section for natural gas produced from gas hydrate resources on an eligible lease.

(2) ELIGIBLE LEASES.—A lease shall be an eligible lease for purposes of this section if—

(A) it is issued under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or is an oil and gas lease issued for onshore Federal lands in Alaska;

(B) it is issued prior to January 1, 2016; and

(C) production under the lease of natural gas from gas hydrate resources commences prior to January 1, 2018.

(3) AMOUNT OF RELIEF.—The Secretary shall conduct a study to determine the royalty relief under this section as a suspension volume if the Secretary determines that such royalty relief would encourage production of natural gas from gas hydrate resources on an eligible lease and the maximum suspension volume shall be 30 billion cubic feet of natural gas per lease. Such relief

shall be in addition to any other royalty relief under any other provision applicable to the lease that does not specifically grant a gas hydrate production incentive. Such royalty suspension shall be applied to any production occurring on or after the date of publication of the advanced notice of proposed rulemaking.

(4) LIMITATION.—The Secretary may place limitations on royalty relief granted under this section based on market price.

(c) APPLICATION.—This section shall apply to any eligible lease issued before, on, or after the date of enactment of this Act.

(d) RULEMAKING.—

(1) REQUIREMENTS.—The Secretary shall publish the advanced notice of proposed rulemaking within 180 days after the date of enactment of this Act and complete the rulemaking implementing this section within 365 days after the date of enactment of this Act.

(2) GAS HYDRATE RESOURCES DEFINED.—Such regulations shall define the term “gas hydrate resources” to include both the natural gas content of gas hydrates within the hydrate stability zone and free natural gas trapped by and beneath the hydrate stability zone.

(e) REVIEW.—Not more than 365 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Energy, shall carry out a review of, and submit to Congress a report on, the evidence of recent progress in production of natural gas from gas hydrate resources on the outer Continental Shelf and on Federal lands in Alaska through the provision of other production incentives or through technical or financial assistance.

SEC. 355. ADVISORY COMMITTEE.

In this section:

(A) ADVISORY COMMITTEE.—The term “Advisory Committee” means the advisory committee established by the report.

(B) SECRETARY.—The term “Secretary” means the Secretary of Interior, acting through the Director of the United States Geological Survey.

(C) ANY RECOMMENDATIONS.—Any recommendations for legislative or other action the Secretary considers necessary to carry out a review of, and submit to Congress a report on, the evidence of recent progress in production of natural gas from gas hydrate resources on the outer Continental Shelf and on Federal lands in Alaska shall be applied to any production from an eligible lease occurring on or after the date of enactment of this Act.

(D) REPORT.—The Secretary shall include in each report under section 8 of the National Geologic and Geophysical Data Archive Act of 1992 (43 U.S.C. 1361) a description of the status of the Program; and

(b) ADVISORY COMMITTEE.—The term “Advisory Committee” means the advisory committee established by the report.

(2) PURPOSE.

(A) In General.—The purposes of this section are—

(i) to provide for the enhancement of recovery of oil and natural gas in the United States by promoting the sequestration of carbon dioxide; and

(ii) to encourage competitive grant programs to promote enhanced recovery of oil and gas from Federal lands.

(B) RENEWABLE ENERGY.—Nothing in this section shall be construed to authorize the use of funds under this section to support activities of the United States Department of Energy.

(C) EXPENDMENTS.—All funds provided under this section shall be expended for the following:

(i) an estimate of the production increase and the duration of the production increase from the project, as compared to conventional recovery techniques, including water flooding;

(ii) an estimate of the carbon dioxide sequestered by project, over the life of the project;

(iii) a plan to collect and disseminate data relating to each project to be funded by the grant; and

(iv) a description of any secondary or tertiary recovery efforts in the field and the efficacy of water flood recovery techniques used.

(3) PARTNERS.—An applicant for a grant under paragraph (1) may agree to a project under a pilot program in partnership with 1 or more other public or private entities.

(4) SELECTION CRITERIA.—In evaluating applications submitted under this subsection, the Secretary of Energy shall—

(A) consider the previous experience with similar projects of each applicant; and

(B) give priority consideration to applications that—

(i) are most likely to maximize production of oil and gas in a cost-effective manner;

(ii) sequester significant quantities of carbon dioxide from anthropogenic sources;

(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this section is concluded; and

(iv) minimize any adverse environmental effects from the project.

(f) REPORT.—The demonstration program shall provide for—

(i) not more than 10 projects in the Willistin Basin in North Dakota and Montana; and

(ii) 1 project in the Cook Inlet Basin in Alaska.

(3) REQUIREMENTS.—(A) IN GENERAL.—The Secretary of Energy shall issue rules requiring that applicants for grants under paragraph (1) provide—

(i) a description of the project proposed in the application; and

(ii) an estimate of the production increase and the duration of the production increase from the project, as compared to conventional recovery techniques, including water flooding;

(iii) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant; and

(iv) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project.

(B) MINIMUM REQUIREMENTS.—At a minimum, the Secretary shall require under paragraph (1) that an application for a grant include—

(i) a description of the project proposed in the application; and

(ii) an estimate of the production increase and the duration of the production increase from the project, as compared to conventional recovery techniques, including water flooding;

(iii) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant; and

(iv) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project.

(v) a description of which costs of the project will be supported by Federal assistance under this section; and

(vi) a description of any secondary or tertiary recovery efforts in the field and the efficacy of water flood recovery techniques used.

(C) PARTNERS.—An applicant for a grant under paragraph (1) may agree to a project under a pilot program in partnership with 1 or more other public or private entities.

(4) SELECTION CRITERIA.—In evaluating applications submitted under this subsection, the Secretary of Energy shall—

(A) consider the previous experience with similar projects of each applicant; and

(B) give priority consideration to applications that—

(i) are most likely to maximize production of oil and gas in a cost-effective manner;

(ii) sequester significant quantities of carbon dioxide from anthropogenic sources;

(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this section is concluded; and

(iv) minimize any adverse environmental effects from the project.
(5) Demonstration Program Requirements.—
(A) maximum amount.—The Secretary of Energy shall not provide more than $3,000,000 in Federal assistance under this subsection to any applicant.

(b) cost sharing.—The Secretary of Energy shall require cost-sharing under this subsection in accordance with paragraph (3).

(3) period of grants.—
(B) project.—A project funded by a grant under this subsection shall begin construction not later than 2 years after the date of provision of the grant, but in any case not later than December 31, 2010.

(c) funding.—
(1) in general.—The United States The Secretary shall not provide grant funds to any applicant under this subsection.

(2) transfer of information and knowledge.—The Secretary of Energy shall establish mechanisms to ensure that the information and knowledge gained by participants in the program under this subsection are transferred among other participants and interested persons, including other applicants that submitted applications for a grant under this subsection.

(7) schedule.—
(a) publication.—Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall publish in the Federal Register an estimate of the funding and the number of applications for projects to be funded under this subsection.

(b) date for applications.—An application for a grant under this subsection shall be submitted not later than 2 years after the date of publication of the request under subparagraph (A).

(c) selection.—After the date by which applications for grants are required to be submitted under paragraph (2), the Secretary of Energy shall select, after peer review and based on the criteria under paragraph (4), those projects to be awarded a grant under this subsection.

(d) authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 355. Assessment of Dependence of State of Hawaii on Oil.

(a) Assessment.—The Secretary of Energy shall assess the economic implications of the dependence of the State of Hawaii on oil as the principal source of energy for the State, including—
(1) the short- and long-term prospects for crude oil supply disruption and price volatility and potential impacts on the economy of Hawaii;
(2) the economic relationship between oil-fired generation of electricity from residual fuel and refined products consumed for ground, marine, and air transportation;
(3) the technical and economic feasibility of increasing the contribution of renewable energy resources for generation of electricity, on an island-by-island basis, including—
(A) siting and facility configuration;
(B) environmental, operational, and safety considerations;
(C) the availability of technology;
(D) the effects on the utility system, including reliability;
(E) infrastructure and transport requirements;
(F) community support; and
(G) other factors affecting the economic impact of such an increase and any effect on the economic relationship described in paragraph (2);
(4) the technical and economic feasibility of using liquefied natural gas to displace residual fuel oil for electric generation, including neighbor island shipments, and the effect of the displacement on the economic relationship described in paragraph (2), including—
(A) the availability of supply;
(B) the facility configuration for onshore and offshore liquefied natural gas receiving terminals;
(C) the factors described in subparagraphs (B) through (F) of paragraph (3); and
(D) other economic factors;
(5) the technical and economic feasibility of using hydrogen (using hydrocarbon for ground, marine, and air transportation energy applications to displace the use of refined petroleum products, on an island-by-island basis, the contributions of other energy sources to the replacement on the relationship described in paragraph (2); and
(6) an island-by-island approach to—
(A) the development of hydrogen from renewable resources; and
(B) the application of hydrogen to the needs of Hawaii.

(b) contracting authority.—The Secretary of Energy may enter into contracts with any public or private entity to carry out the assessment under subsection (a), directly or through any cooperative arrangements with public or private entities.

(c) report.—Not later than 300 days after the date of enactment of this Act, the Secretary of Energy shall prepare (in consultation with the relevant agencies of the State of Hawaii and other stakeholders, as appropriate), and submit to Congress, a report describing the findings, conclusions, and recommendations resulting from the assessment.

(d) authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.


(a) Definition of Commission.—In this section, the term “Commission” means the Denali Commission established by the Denali Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277).

(b) Energy Programs.—The Commission shall use any amount available under this section to carry out energy programs, including—
(1) energy generation and development, including—
(A) fuel cells, hydroelectric, solar, wind, wave, and tidal energy; and
(B) alternative energy sources;
(2) the construction of fuel transportation networks and related facilities;
(3) the replacement and cleanup of fuel tanks;
(4) the construction of fuel transportation networks and related facilities;
(5) power cost equalization programs; and
(6) projects using coal as a fuel, including coal gasification programs.

(c) Open Meetings.—
(1) in general.—Except as provided in paragraph (2), a meeting of the Commission shall be open to the public.
(2) exceptions.—Paragraph (1) shall not apply to any portion of a Commission meeting for which the Commission, with public notice, votes to close the meeting for the reasons described in paragraph (2), (4), (5), or (6) of subsection (c) of section 552b of title 5, United States Code.

(d) Public Notice.—
(1) in general.—At least 1 week before a meeting of the commission, the Commission shall make a public announcement of the meeting that describes—
(i) the time, place, and subject matter of the meeting;
(ii) whether the meeting is to be open or closed to the public; and
(iii) the name and telephone number of an appropriate contact person to request information about the meeting.

(2) additional notice.—The Commission shall make a public announcement of any changes in the information made available under subparagraph (A) at the earliest practicable time.

(e) Authorization of Appropriations.—
(1) in general.—The Secretary shall conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the United States Outer Continental Shelf ("OCS").

(2) use of existing data.—The Secretary shall use available data on oil and gas resources in areas offshore of Mexico and Canada that are relevant to the analysis of the OCS.

(f) Authorization of Appropriations.—There is authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 357. Comprehensive Inventory of OCS Oil and Natural Gas Resources.

(a) in General.—The Secretary shall conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the United States Outer Continental Shelf ("OCS").

(b) report.—The Secretary shall submit a report to Congress that describes in detail the results, findings, and conclusions of the analysis together with any recommendations, within 6 months of the date of enactment of this Act.

Subtitle F—Access to Federal Lands

SEC. 361. Federal Onshore Oil and Gas Leasing and Permitting Practices.

(a) review of onshore oil and gas leasing practices.—
(1) in general.—The Secretary of the Interior, in consultation with the Secretary of Agriculture, shall perform an internal review of current Federal onshore oil and gas leasing and permitting practices.

(2) Inclusions.—The review shall include the process for—
(A) accepting or rejecting offers to lease;
(B) administrative appeals of decisions or orders of officers or employees of the Bureau of Land Management with respect to a Federal oil or gas lease;
(C) considering surface use plans of operation, including the timeframes in which the plans are considered, and any recommendations for improving and expediting the process; and
(D) identifying stipulations to address site-specific concerns and conditions, including those stipulations related to the environment and resource use conflicts.

(b) report.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall transmit a report to Congress that describes—
(1) actions taken under section 3 of Executive Order No. 13212 (42 U.S.C. 13201 note); and
(2) actions taken or any plans to improve the Federal onshore oil and gas leasing program.

SEC. 362. Management of Offshore Oil and Gas Leasing Programs.

(a) Timely Action on Leases and Permits.—
(1) SECRETARY OF THE INTERIOR.—To ensure timely action on oil and gas leases and applications for permits to drill on land otherwise available for leasing, the Secretary of the Interior shall—

(A) ensure expeditious compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) and any other applicable environmental and cultural resources laws;

(B) expedite consultation and coordination with the States and the public; and

(C) improve the collection, storage, and retrieval of information relating to the oil and gas leasing process.

(2) SECRETARY OF AGRICULTURE.—To ensure timely action on oil and gas leasing applications for permits to drill on land otherwise available for leasing, the Secretary of Agriculture shall—

(A) ensure expeditious compliance with all applicable environmental and cultural resources laws; and

(B) expedite the collection, storage, and retrieval of information relating to the oil and gas leasing process.

(c) LEASE MANAGEMENT PRACTICES.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall develop and implement best management practices to—

(A) improve the administration of the onshore oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.); and

(B) improve consultation and coordination with the Secretary of Agriculture.

(2) THROUGH 2010—

(A) to the Secretary, acting through the Director of the Bureau of Land Management, $20,000,000 to carry out subsection (b); and

(B) $20,000,000 to carry out subsection (c).

(3) SEC. 364. MINERAL OIL AND GAS RESOURCES UNDERLYING ONSHORE FEDERAL LAND.

(a) ASSESSMENT.—Section 604 of the Energy Policy Act of 2000 (42 U.S.C. 13681) is amended—

(1) in subsection (a)—

(A) by striking "reserve" and inserting "resource"; and

(B) by striking paragraph (3) and inserting the following:

"(3) the quantity of resources not produced or introduced into commerce because of the restrictions;";

(2) in subsection (b)—

(A) by striking "reserve" and inserting "resource"; and

(B) by striking paragraph (b) and inserting the following:

"(b) ANNUAL REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall report to the House of Representatives and the Senate on the leasing and permit activities for oil and gas that have taken place on Federal land administered by the Secretary of the Interior and the Secretary of Agriculture.

(c) DESIGNATION OF QUALIFIED STAFF.—

(A) The Secretary of the Interior shall designate a full-time staff member, as appropriate, to serve as the principal liaison officer for oil and gas leasing and permit activities.

(B) The Secretary of Agriculture shall designate a full-time employee who has expertise in the regulatory issues relating to the oil and gas leasing process.

(d) FIELD OFFICES.—The following Bureau of Land Management Field Offices shall serve as the Pilot Project offices:

(A) Rawlins, Wyoming.

(B) Buffalo, Wyoming.

(C) Miles City, Montana.

(D) Grand Junction/Glenwood Springs, Colorado.

(E) Vernal, Utah.

(F) REPORTS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that—

(1) outlines the results of the Pilot Project to date; and

(2) makes a recommendation to the President regarding whether the Pilot Project should be implemented throughout the United States.

(i) ADDITIONAL PERSONNEL.—The Secretary shall assign to each field office identified in subsection (d) any additional personnel that are necessary to ensure the effective implementation of the Pilot Project; and

(ii) PERMIT PROCESSING IMPROVEMENTS.—The Secretary shall implement any other changes to the permit processing regulations to ensure accurate comparisons of geological resources.

* * *

(2) The memorandum of understanding shall include provisions that—

(A) establish administrative procedures and timelines of authority that ensure timely processing of—

(A) oil and gas lease applications;

(B) surface use plans of operations, including steps for processing surface use plans; and

(C) applications for permits to drill consistent with applicable timelines; and

(2) eliminate duplication of effort by providing for consultation of planning and environmental compliance efforts;

(3) ensure that lease stipulations are—

(A) applied consistently; and

(B) coordinated with governmental agencies; and

(C) only as restrictive as necessary to protect the resource for which the stipulations are applied;

(4) establish a joint data retrieval system that is capable of—

(A) tracking applications and formal requests made in accordance with procedures of the Federal onshore oil and gas leasing program; and

(B) providing information regarding the status of the applications and requests within the Department of the Interior and the Department of Agriculture;

(5) establish a joint geographic information system mapping system for use in—

(A) tracking surface resource values to aid in resource management; and

(B) processing surface use plans of operations and applications for permits to drill.

(3) the Secretary and the Secretary of Agriculture shall enter into a memorandum of understanding for purposes of this section with—

(A) the Secretary of Agriculture; and

(B) the Administrator of the Environmental Protection Agency; and

(C) the Chief of Engineers.

(2) STATE PARTICIPATION.—The Secretary may request that the Governors of Wyoming, Montana, Colorado, Utah, and New Mexico be signatories to the memorandum of understanding.

(3) DESIGNATION OF QUALIFIED STAFF.—

(A) the consultations and the preparation of biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536); and

(B) permits under section 404 of Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) regulatory matters under the Clean Air Act (42 U.S.C. 7401 et seq.).

(3) TO THE SECRETARY OF THE INTERIOR.—Not later than 30 days after the date of the signing of the memorandum of understanding under subsection (b), all Federal land administrative agencies shall, if appropriate, assign to each of the field offices identified in subsection (d) an employee who has expertise in the regulatory issues relating to the office in which the employee is employed, including, as applicable, particular expertise in—

(A) the consultations and the preparation of biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536); and

(B) permits under section 404 of Federal Water Pollution Control Act (33 U.S.C. 1344).
shall be deposited in the Treasury, to be allocated in accordance with paragraph (2).

(2) Of the amounts deposited in the Treasury under paragraph (1)—
(A) 80 percent shall be paid by the Secretary of the Treasury to the State within the boundaries of which the leased land is located or the deposits were derived; and
(B) the remaining 20 percent shall be deposited in a special fund in the Treasury, to be known as the 'BLM Permit Processing Improvement Fund' (referred to in this subsection as the 'Fund').

(3) For each of fiscal years 2006 through 2015, the Fund shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, for the coordination and processing of oil and gas use authorizations on onshore Federal land under the jurisdiction of the Pilot Project offices identified in section 36(d) of the Energy Policy Act of 2005.

(b) Transfer of Funds.—For the purposes of coordination and processing of oil and gas use authorizations on Federal land under the administration of the Pilot Project offices identified in subsection (d), the Secretary may authorize the expenditure or transfer of such funds as are necessary to—
(1) the United States Fish and Wildlife Service;
(2) the Bureau of Indian Affairs;
(3) the Forest Service;
(4) the Environmental Protection Agency;
(5) the Corps of Engineers; and
(6) Indian tribes including the Navajo, Montana, Colorado, Utah, and New Mexico.

(c) Fees.—During the period in which the Pilot Project is authorized, the Secretary shall not implement a rulemaking that would enable an increase in fees to recover additional costs related to processing drilling-related permit applications and use authorizations.

(i) Average Provision.—Nothing in this section affects—
(1) the operation of any Federal or State law; or
(2) any delegation of authority made by the head of a Federal agency whose employees are participating in the Pilot Project.

SEC. 366. DEADLINE FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended by adding at the end the following:

"(g) DEADLINES FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.—

"(1) IN GENERAL.—Not later than 10 days after the date on which the Secretary receives an application for any permit to drill, the Secretary shall—

"(i) notify the applicant that the application is complete; or

"(ii) notify the applicant that information is missing and specify any information that is required to be submitted for the application to be complete.

"(2) ISSUANCE OR DEFERRAL.—Not later than 30 days after the applicant for a permit has submitted a complete application, the Secretary shall—

"(A) issue the permit, if the requirements under the National Environmental Policy Act of 1969 and other applicable law have been completed within such timeframe; or

"(B) defer the decision on the permit and provide to the applicant a notice—

"(i) that specifies any steps that the applicant could take for the permit to be issued; and

"(ii) a list of actions that need to be taken by the agency to complete compliance with applicable law together with timelines and deadlines for completing such compliance; and

"(3) REQUIREMENTS FOR DEFERRED APPLICATIONS.—

"(A) IN GENERAL.—If the Secretary provides notice under subparagraph (2)(B), the applicant shall have a period of 2 years from the date of receipt of the notice in which to complete all requirements specified by the Secretary, including providing information needed for compliance with the National Environmental Policy Act of 1969.

"(B) ISSUANCE OF DECISION ON PERMIT.—If the applicant completes the requirements within the period specified in subparagraph (A), the Secretary shall issue a decision on the permit not later than 90 days after the date of completion of the requirements described in subparagraph (A), unless compliance with the National Environmental Policy Act of 1969 and other applicable law has not been completed within such timeframe.

"(C) DENIAL OF PERMIT.—If the applicant does not complete the requirements within the period specified in subparagraph (A) or if the applicant does not comply with applicable law, the Secretary shall deny the permit.

SEC. 367. FAIR MARKET VALUE DETERMINATIONS FOR LINEAR RIGHTS-OF-WAY ACROSS PUBLIC LANDS AND NATIONAL FORESTS.

(a) UPDATE OF PERIOD SCHEDULE.—Not later than one year after the date of enactment of this section—

"(1) the Secretary of the Interior shall update section 3096.20 of title 43, Code of Federal Regulations, as in effect on the date of enactment of this section, to revise the per acre rental fee schedule for wildlands, stable, counties, and type of linear right-of-way use to reflect current values of land in each zone; and

"(2) the Secretary of Agriculture shall make the same revision for linear right-of-way use to reflect current values of land in each zone, as issued, or renewed under title V of the Federal Lands Policy and Management Act of 1976 (43 U.S.C. 1763 et seq.) on National Forest System land.

(b) FAIR MARKET VALUE RENTAL DETERMINATION FOR LINEAR RIGHTS-OF-WAY.—The fair market value rent of a linear right-of-way use on Federal lands issued under section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) or section 28 of the Mineral Leasing Act (30 U.S.C. 185) shall be determined in accordance with subpart 2806.20 of title 43, Code of Federal Regulations, as in effect on the date of enactment of this section (including the annual or periodic updates specified in the regulations) and as updated in accordance with subsection (a).

SEC. 368. ENERGY RIGHT-OF-WAY CORRIDORS ON NATIONAL FORESTS.

(a) WESTERN STATES.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Energy, and the Secretary of the Interior (in this section referred to collectively as the "Secretaries"), in consultation with the Federal Energy Regulatory Commission, States, tribal, or local units of government as appropriate, affected utility industries, and other interested parties, shall consult with each other and—

"(1) designate, under their respective authorities, corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities and pipelines and electricity transmission facilities for development activities with respect to technologies for the recovery of liquid fuels from oil shale and tar sands resources on public lands. Prospective public lands within each of the States of Colorado, Utah, and Wyoming shall be made available for such research and development leasing.

"(2) OPERATIONAL COSTS.—For Federal lands, the Federal Energy Regulatory Commission, affected utility industries, and other interested parties, shall establish procedures under their respective authorities that—

"(i) ensure that additional corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land are promptly identified and designated as necessary; and

"(ii) expedite applications to construct or modify oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities within such corridors, taking into account prior analyses and environmental reviews undertaken during the designation of such corridors.

(b) CONSIDERATIONS.—In carrying out this section, the Secretaries shall take into account the need for upgraded and new electricity transmission and distribution facilities to—

"(1) improve reliability;

"(2) relieve congestion; and

"(3) enhance the capability of the national grid to deliver electricity.

(c) SPECIFICATIONS OF CORRIDOR.—A corridor designated under this section shall, at a minimum, specify the corridor's length, width, and compatible uses of the corridor.

SEC. 369. OIL SHALE, TAR SANDS, AND OTHER STRATEGIC UNCONVENTIONAL FUELS.

(a) SHORT TITLE.—This section may be cited as the "Oil Shale, Tar Sands, and Other Strategic Unconventional Fueils Act of 2005.

(b) DECLARATION OF POLICY.—Congress declares that it is the policy of the United States that—

"(1) United States oil shale, tar sands, and other unconventional fuels are strategically important domestic resources that should be developed to reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports;

"(2) the development of oil shale, tar sands, and other strategic unconventional fuels, for research and commercial development, should be conducted in an environmentally sound manner, using practices that minimize impacts; and

"(3) development of the unconventional fuels should occur, with an emphasis on sustainability, to benefit the United States while taking into account affected States and communities.

(c) LEASING PROGRAM FOR RESEARCH AND DEVELOPMENT OF OIL SHALE AND TAR SANDS.—In accordance with section 21 of the Mineral Leasing Act (30 U.S.C. 241) and any other applicable law, except as provided in this section, not later than 180 days after the date of enactment of this Act, or land otherwise available for leasing, the Secretary of the Interior (hereafter referred to in this section as the "Secretaries") shall make available for leasing such land as the Secretary considers to be necessary to conduct research and development activities with respect to technologies for the recovery of liquid fuels from oil shale and tar sands resources on public lands. Prospective public lands within each of the States of Colorado, Utah, and Wyoming shall be made available for such research and development leasing.

(d) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT AND CONCURRENT LEASING PROGRAM FOR OIL SHALE AND TAR SANDS.—

"(1) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the Federal Energy Regulatory Commission, affected utility industries, and other interested persons, shall jointly—

"(i) identify corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land in States other than those described in subsection (a); and

"(ii) schedule prompt action to identify, designate, and incorporate the corridors into the applicable land use plans.

(c) ONGOING RESPONSIBILITIES.—The Secretaries shall consult with the Federal Energy Regulatory Commission, affected utility industries, and other interested parties, shall establish procedures under their respective authorities that—

"(1) ensure that additional corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land are promptly identified and designated as necessary; and

"(2) expedite applications to construct or modify oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities within such corridors, taking into account prior analyses and environmental reviews undertaken during the designation of such corridors.

(d) CONSIDERATIONS.—In carrying out this section, the Secretaries shall take into account the need for upgraded and new electricity transmission and distribution facilities to—

"(1) improve reliability;

"(2) relieve congestion; and

"(3) enhance the capability of the national grid to deliver electricity.

"(b) SPECIFICATIONS OF CORRIDOR.—A corridor designated under this section shall, at a minimum, specify the corridor's length, width, and compatible uses of the corridor.
The Secretary shall, by regulation, designate energy, in cooperation with the Secretary of the (d); and,
(b) evaluate the strategic importance of unconventional sources of strategic fuels to the security of the United States;
(c) promote and coordinate Federal Government actions that facilitate the development of strategic fuels in order to effectively address the energy supply needs of the United States;
(d) identify, assess, and recommend appropriate actions of the Federal Government required to assist in the development and manufacturing of strategic fuels; and
(e) coordinate and facilitate appropriate relationships between private industry and the Federal Government to promote sufficient and timely private investment to commercialize strategic fuels for domestic and military use.

(2) CONSULTATION AND COORDINATION.—The Office of Petroleum Reserves shall work closely with the Task Force and coordinate its staff support.

(3) ANNUAL REPORTS.—Not later than 180 days after the date of enactment of this Act and annually thereafter, the Secretary shall submit to Congress a report that describes the activities of the Office of Petroleum Reserves carried out under this subsection:

(A) MINERAL LEASING ACT AMENDMENTS.—

(1) SECTION 17.—Section 17(b)(2) of the Mineral Leasing Act (30 U.S.C. 226(b)(2)), as amended by section 207(c) of this Act, is further amended in paragraph (A) (as designated by the amendment made by subsection (a)(1) of that section) by designating the first, second, and third sentences as clauses (i), (ii), and (iii), respectively;

(B) Other leases for production of oil shale or tar sands projects for the purpose of evaluating oil shale and tar sands deposits, in the geographic areas described in subparagraph (A), listed in the order in which the Secretary shall assign areas referred to in subparagraph (A), listed in the order in which the Secretary shall assign such areas.

(C) cost-sharing assistance.

The Secretary of Energy shall provide the Office of Petroleum Reserves with cost-sharing assistance for conducting any separate permitting and environmental reviews.

(2) IMPLEMENTING REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Secretary shall issue any regulations necessary to implement this subsection.

(I) COST-SHARING—DEMONSTRATION TECHNOLOGIES.—

(1) IDENTIFICATION.—The Secretary of Energy shall identify technologies for the development of oil shale and tar sands, and technologies that are ready for demonstration at a commercially-representative scale; and

(B) by adding the following:

(ii) No lease issued under this paragraph shall be included in any chargeability limitation associated with "shale" located east of the Mississippi River; and

(iii) any remaining area in the central and western United States (including the State of Alaska) that contains oil shale and tar sands deposits, as determined by the Secretary.

(2) USE OF STATE SURVEYS AND UNIVERSITIES.—In carrying out the assessment work for oil shale and tar sand basins, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.

(3) LAND EXCHANGES.—

(I) IN GENERAL.—To facilitate the recovery of oil shale and tar sands, especially in areas where Federal, State, and private lands are coextensive, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.

(II) IDENTIFICATION OF PUBLIC LANDS.—The Secretary shall identify public lands containing deposits of oil shale or tar sands within the Green River, Piceance Creek, Uintah, and Washakie geologic basins, and shall give priority to implementing land exchanges within those basins. The Secretary

more than 50,000 acres of oil shale leases in any one State. For the privilege of leasing more than 50,000 acres of oil shale leases in any one State. For the privilege of leasing

(ii) No lease issued under this section shall be included in any chargeability limitation associated with oil and gas leases.

(3) ANNUAL REPORTS.—Not later than 6 months after the completion of the programmatic environmental impact statement, the Secretary shall publish a final regulation establishing such programmatic environmental impact statement. Evidence of interest in a lease sale under this subsection shall include, but not be limited to, appropriate areas nominated for leasing by potential lessees and other interested parties.

(1) DILIGENT DEVELOPMENT REQUIREMENTS.—The Secretary shall, by regulation, designate appropriate areas for leasing,

(g) INITIAL REPORT BY THE SECRETARY OF THE INTERIOR.—Within 90 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an initial report that describes the activities of the Office of Petroleum Reserves carried out under this subsection:

(i) No lease issued under this paragraph shall be included in any chargeability limitation associated with oil and gas leases.

(ii) No lease issued under this paragraph shall be included in any chargeability limitation associated with "shale" located east of the Mississippi River; and

(iii) any remaining area in the central and western United States (including the State of Alaska) that contains oil shale and tar sands deposits, as determined by the Secretary.

(2) USE OF STATE SURVEYS AND UNIVERSITIES.—In carrying out the assessment work for oil shale and tar sand basins, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.

(3) LAND EXCHANGES.—The geographic areas referred to in subparagraph (A), listed in the order in which the Secretary shall assign priority, are—

(i) the Green River Region of the States of Colorado, Utah, and Wyoming;

(ii) the Devonian oil shales and other hydrocarbon-bearing rocks having the nomenclature of "shale" located east of the Mississippi River; and

(iii) remaining area in the central and western United States (including the State of Alaska) that contains oil shale and tar sands, as determined by the Secretary.

(2) USE OF STATE SURVEYS AND UNIVERSITIES.—In carrying out the assessment work for oil shale and tar sand basins, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.

(3) LAND EXCHANGES.—The geographic areas referred to in subparagraph (A), listed in the order in which the Secretary shall assign priority, are—

(i) the Green River Region of the States of Colorado, Utah, and Wyoming;

(ii) the Devonian oil shales and other hydrocarbon-bearing rocks having the nomenclature of "shale" located east of the Mississippi River; and

(iii) remaining area in the central and western United States (including the State of Alaska) that contains oil shale and tar sands, as determined by the Secretary.

(2) USE OF STATE SURVEYS AND UNIVERSITIES.—In carrying out the assessment work for oil shale and tar sand basins, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.
shall consider the geology of the respective basin in determining the optimum size of the lands to be consolidated.


(e) PROPERTY AND LEASING.—The Secretary shall establish royalties, fees, rentals, bonus, or other payments for leases under this section that shall—

(1) include the development of the oil shale and tar sands resource; and

(2) ensure a fair return to the United States.

(p. HEAVY OIL TECHNICAL AND ECONOMIC ASSESSMENT OF DOMESTIC RESOURCE BASE.—The Secretary shall update the 1987 technical and economic assessment of domestic heavy oil resources that was prepared by the Interstate Oil and Gas Compact Commission. Such an update should include all of North America and cover all unconventional oil, including heavy oil, tar sands (oil sands), and oil shale.

(q) PROCUREMENT OF UNCONVENTIONAL FUELS BY THE DEPARTMENT OF DEFENSE.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after section 1414 of title 10, United States Code, the following:

"$2398a. Procurement of fuel derived from coal, oil shale, and tar sands

"(a) USE OF FUEL TO MEET DEFENSE NEEDS.—The Secretary of Defense may procure fuel produced in the United States from coal, oil shale, oil sands, tar sands (referred to in this section as a ‘covered fuel’) that are extracted by either mining or otherwise processed in the United States in order to meet in assisting in meeting the fuel requirements of the Department of Defense when the Secretary determines that it is in the national interest.

"(b) AUTHORITY TO PURCHASE.—The Secretary of Defense may enter into 1 or more contracts or other agreements (that meet the requirements of subpart 1 of part 22 of the Code of Federal Regulations) for the purchase of covered fuel to meet the fuel requirements of the Department of Defense.

(c) CLEAN FUEL REQUIREMENTS.—A covered fuel shall be procured under subsection (b) only if the covered fuel meets such standards for clean fuel produced from domestic sources as the Secretary of Defense shall establish for purposes of this paragraph in consultation with the Department of Energy.

(d) MULTIYEAR CONTRACT AUTHORITY.—Subject to applicable provisions of law, any contract entered into for the procurement of covered fuel under subsection (b) may be for 1 or more years at the election of the Secretary of Defense.

(e) FUEL SOURCE ANALYSIS.—In order to facilitate the procurement by the Department of Defense of covered fuel under subsection (b), the Secretary of Defense may carry out a comprehensive analysis of all current and potential locations in the United States for the supply of covered fuel to the Department.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 10, United States Code, is amended by inserting after the item relating to section 2397 the following:

"2398a. Procurement of fuel derived from coal, oil shale, and tar sands''.

(r) STATE WATER RIGHTS.—Nothing in this section is intended to preempt or affect any State water law or interstate compact relating to water.

(s) AUTHORIZATION OF APPROPRIATIONS.—There are appropriated such sums as are necessary to carry out this section.

SEC. 370. FINGER LAKES WITHDRAWAL.

All Federal land within the boundary of Finger Lakes National Forest in the State of New York to which is applicable—

(1) all forms of entry, appropriation, or disposition under the public land laws; and

(2) disposition under all laws relating to oil and gas leasing.

SEC. 371. REIMSTATEMENT OF LEASES.

(a) LEASES TERMINATED FOR CERTAIN FAILURE TO PAY RENTAL.—Notwithstanding section 31(d)(2)(B) of the Mineral Leasing Act (30 U.S.C. 188(d)(2)(B)) as in effect before the effective date of this section, and notwithstanding the amendment made by subsection (b) of this section, the Secretary shall reinstate any oil and gas lease issued under that Act that was terminated for failure of a lessee to pay the full amount of rental on or before the anniversary date during the period ending September 1, 2001, and ending on June 30, 2004, if—

(i) not later than 120 days after the date of enactment of this Act, the lessee—

(A) files a petition for reinstatement of the lease; and

(B) complies with the conditions of section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(e)), and

(ii) the lessee did not receive a notice of termination by the date that was 13 months before the date of termination; and

(b) the lease is available for leasing.

(b) DEADLINE FOR PETITIONS, GENERALLY.—Section 31(d)(2) of the Mineral Leasing Act (30 U.S.C. 188(d)(2)) is amended by striking subparagrapges (A) and (B) and inserting the following:

"(A) with respect to any lease that terminated under subsection (b) on or before the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

(i) 60 days after the lessee receives from the Secretary notice of termination, whether by return of check or by any other form of actual notice; or

(ii) 15 months after the termination of the lease; and

(B) with respect to any lease that terminates under subsection (b) after the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

(i) 60 days after receipt of the notice of termination sent by the Secretary by certified mail to all lessees of record; or

(ii) 24 months after the termination of the lease.''.

SEC. 372. CONSULTATION REGARDING ENERGY RIGHTS-OF-WAY ON PUBLIC LAND.

(a) MEMORANDUM OF UNDERSTANDING.—

(1) In general.—Not later than 6 months after the date of enactment of this Act, the Secretary of Energy, in consultation with the Secretaries of Agriculture, the Interior, and the Secretary of the Army, shall enter into a memorandum of understanding with respect to lands under their respective jurisdictions, that shall include a memorandum of understanding to coordinate all applicable Federal authorizations and environmental reviews relating to a proposed or existing utility facility. To the maximum extent practicable under applicable law, the Secretary of Energy shall, to ensure timely review and permit decisions, coordinate such authorizations and reviews with any Indian tribes, multi-State entities, and State agencies that are responsible for conducting any separate permitting and environmental reviews of the affected utility facility.

(2) CONTENTS.—The memorandum of understanding shall include provisions that—

(A) establish a unified right-of-way application form; and

(B) provide for coordination of planning relating to the granting of the rights-of-way; (C)'s (C) provide for an agreement among the affected Federal agencies to prepare a single environmental impact statement to be used as the basis for all Federal authorization decisions; and

(D) provide for coordination of use of right-of-way permitting and permitting processes.

(b) NATURAL GAS PIPELINES.—

(1) IN GENERAL.—With respect to permitting activities for interstate natural gas pipelines, the May 2002 document entitled ‘‘Interagency Agreement On Early Coordination Of Required Environmental And Historic Preservation Re- views Conducted In Conjunction With The Issuance Of Authorizations To Construct And Operate Interstate Natural Gas Pipelines Certif- Ied By The Federal Energy Regulatory Commission’’ shall constitute compliance with subsection (a).

(2) REPORT.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and every 2 years thereafter, agencies that are signatories to the document referred to in paragraph (1) shall transmit to Congress a report on how the agencies are implementing the provisions of the document referred to in paragraph (1).

(B) CONTENTS.—The report shall address—

(i) efforts to implement the provisions of the document referred to in paragraph (1); (ii) whether the efforts have had a streamlining effect; (iii) further improvements to the permitting process of the agency; and

(iv) recommendations for inclusion of State and tribal governments in a coordinated permitting process.

(c) DEFINITION OF UTILITY FACILITY.—In this section, the term ‘utility facility’ means any privately, publicly, or cooperatively owned line, facility, or system—

(1) for the transportation of—

(A) oil, natural gas, synthetic liquid fuel, or gaseous fuel; or

(B) any refined product produced from oil, natural gas, synthetic liquid fuel, or gaseous fuel; or

(C) products in support of the production of material referred to in subparagraph (A) or (B); (2) for storage and terminal facilities in connection with the production referred to in paragraph (1); or

(3) for the generation, transmission, and distribution of electric energy.

SEC. 373. SENSE OF CONGRESS REGARDING DEVELOPMENT OF MINERALS UNDER PADRE ISLAND NATIONAL SEA- SHORE.

(a) FINDING.—The Congress finds the following:

(1) Pursuant to Public Law 87-712 (16 U.S.C. 459d et seq.; popularly known as the ‘‘Federal Enabling Act’’) and various deeds and actions under that Act, the United States is the owner of only the surface estate of certain lands constituting the Padre Island National Seashore.

(2) Ownership of the oil, gas, and other minerals in the subsurface estate of the lands constituting the Padre Island National Seashore was never acquired by the United States, and ownership of those interests is held by the State of Texas and their private parties.

(3) Public Law 87-712 (16 U.S.C. 459d et seq.;—

(A) expressly contemplated that the United States would recognize the ownership and future development of the oil, gas, and other minerals in the subsurface estate of the lands constituting the Padre Island National Seashore by the owners and their mineral lessees; and

(B) recognized that approval of the State of Texas was required to create Padre Island Na- tional Seashore.

(c) CONGRESSIONAL RECORD—HOUSE H6729
Section 374. LIVINGSTON PARISH MINERAL RIGHTS TRANSFER. Section 102 of Public Law 102–562 (106 Stat. 4234) is amended by inserting subsection (b) and inserting the following: “(b) RESERVATION OF OIL AND GAS RIGHTS AND CONVEYANCE OF REMAINING MINERAL RIGHTS.—Subject to the limitations set forth in subsection (c), the United States hereby excepts and reserves from the provisions of subsection (a), all rights to oil and gas underlying such lands, along with the right to explore for, and produce the oil and gas under applicable law and such regulations as the Secretary of the Interior may prescribe. Not later than 180 days after the date of enactment of the Energy Policy Act of 2005, the Secretary of the Interior shall convey the remaining mineral rights to the parties who are of the date of enactment of the Energy Policy Act of 2005, would be recognized as holders of a right, title, or interest to any portion of such minerals under the laws of the State of Louisiana, but for the interest of the United States;”

(c) OIL AND GAS RESOURCE ASSESSMENT AND REPORT.—The United States Geological Survey shall conduct a resource assessment and publish a report containing the findings of such resource assessment (‘‘USGS Assessment and Report’’) within one year of the date of enactment of the Energy Policy Act of 2005. The USGS Assessment and Report shall assess the occurrence of oil and gas resources underlying the certain lands in Livingston Parish, Louisiana, as described in section 103 (the ‘‘Livingston Parish lands’’). Upon a finding by the Secretary of the Interior based upon the USGS Assessment and Report that it is unlikely that economically recoverable oil and gas resources are present, the Secretary shall publish and file the findings of such assessment pursuant to paragraph (1), the Secretary may stay the closing of the decision record—

“(i) for a specific period mutually agreed to in writing by the appellant and the State agency; or

“(ii) as the Secretary determines necessary to receive, on an expedited basis—

“(1) any supplemental information specifically requested by the Secretary to complete a consistent review under this Act; or

“(2) any clarifying information submitted by a party to the Secretary as related to information in the consolidated record compiled by the lead Federal permitting agency.

“(B) APPlicability.—The Secretary may only stay the 160-day period described in paragraph (1) for a period not to exceed 60 days.

“(C) Deadline for Decision.—

“(1) In General.—Not later than 60 days after the date of publication of a Federal Register notice stating when the decision record for an appeal has been closed, the Secretary shall issue a decision or publish a notice in the Federal Register explaining why a decision cannot be issued at that time.

“(2) Subsequent Decision.—Not later than 15 days after the date of publication of a Federal Register notice explaining why a decision cannot be issued within the 60-day period, the Secretary shall issue a decision.

“(D) Applicability.—For any Federal administrative agency proceeding that is an appeal or review under section 319 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453), as amended by this Act, related to any Federal authorization for the permitting, approval, or other authorization of an energy project, the lead Federal permitting agency for the project shall, with the cooperation of Federal and State administrative agencies, maintain a consolidated record of all decisions made or actions taken by the lead agency or by another Federal or State administrative agency or officer. Such record shall be the initial record for appeals or reviews under that Act, provided that the record may be supplemented as expressly provided pursuant to section 319 of that Act.

Section 383. ROYALTY PAYMENTS UNDER LEASES UNDER THE OUTER CONTINENTAL SHELF LANDS ACT. (a) Royalty Relief.—

“(1) In General.—For purposes of providing compensation to a State for which amounts are authorized by section 609(c) of the Oil Pollution Act of 1990 (Public Law 101–380), a lessee may withhold from payment any royalty due and payable to the United States and any lessee under the Outer Continental Shelf Lands Act (43 U.S.C. 1301 et seq.) for offshore oil or gas production from a covered lease tract if, on or before the date that the payment is due and payable to the United States, the lessee makes a payment to the State of 4 cents for every $1 of royalty withheld.

“(2) Treatment of Amounts.—Any royalty withheld by a lessee in accordance with this section (including any portion thereof that is paid to the State under paragraph (1)) shall be treated as payable for purposes of the royalty obligations of the lessee to the United States.

“(3) Certification of Withheld Amounts.—The Secretary of the Treasury shall—

“(A) determine the amount of royalty withheld by a lessee under this section; and

“(B) provide such certification when the total amount of royalty withheld by the lessee under this section is equal to—

“(i) the dollar amount stated at page 47 of Senate Report number 101–334, which is designated therein as the total drainage claim for the West Delta field; plus

“(ii) interest as described at page 47 of that Report.

“(C) Period of Royalty Relief.—Subsection (a) shall apply to royalty amounts that are due and payable in the period beginning on October 1, 2006, and ending on the date on which the Secretary of the Treasury publishes a certification under subsection (a)(3)(B).

“(D) CLOSURE OF RECORD.—As used in this section:

“(1) COVERED LEASE TRACT.—The term ‘‘covered lease tract’’ means a lease tract (or portion of a lease tract)—

“(A) within the coastal zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)); or

“(B) lying within such zone but to which such section does not apply.

“(2) LESSEE.—The term ‘‘lessee’’—

“(A) means a person or entity that, on the date of the enactment of the Oil Pollution Act of 1990, was a lessee of the coastal State of that Act (as in effect on that date of the enactment) under such zone, but did not hold lease rights in Federal offshore lease OCS–G–5689; and

“(B) includes successors and affiliates of a person or entity described in subparagraph (A).

Section 384. COASTAL IMPACT ASSISTANCE PROGRAM. Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a) is amended to read as follows:

“(a) Definitions.—In this section—

“(1) Coastal Political Subdivision.—The term ‘‘coastal political subdivision’’ means a political subdivision of a coastal State any part of which is a political subdivision of a coastal State as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453).

“(2) Coastline.—The term ‘‘coastline’’ has the meaning given the term ‘‘coastline’’ in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453).

“(3) Coastal political subdivision.—The term ‘‘coastal political subdivision’’ means the minimum great circle distance, measured in statute miles.

“(4) Covered lease tract.—The term ‘‘covered lease tract’’ means a tract that is subject to a lease under section 6 or 8 for the purpose of drilling for, developing, and producing oil or natural gas resources.

“(5) Leasing moratoria.—The term ‘‘leasing moratoria’’ means the prohibitions on preleasing, leasing, and related activities on any geographic area in the outer Continental Shelf as contained in sections 107 through 109 of division E of the Consolidated Appropriations Act, 2005 (Public Law 108–447, 118 Stat. 3663).

“(6) Political subdivision.—The term ‘‘political subdivision’’ means the local political jurisdiction immediately below the level of State government, including counties, parishes, and boroughs.

“(7) Producing State.—

“(A) In General.—The term ‘‘producing State’’ means a coastal State that has a coastal segment of the geographic boundary of a coastal lease tract within any area of the outer Continental Shelf.

“(B) Exclusion.—The term ‘‘producing State’’ does not include a major portion of the coastline of which is subject to leasing moratoria, unless production was occurring on
January 1, 2005, from a lease within 10 nautical miles of the coastline of that State.

(10) QUALIFIED OUTER CONTINENTAL SHELF REVENUES. —

(A) IN GENERAL. —The term ‘‘qualified Outer Continental Shelf revenues’’ means all amounts received by the United States from each leased tract or portion of a leased tract—

(i) seaward of the zone covered by section 8(g); or

(ii) within that zone, but to which section 8(g) does not apply; and

(B) INCLUSIONS. —The term ‘‘qualified Outer Continental Shelf revenues’’ includes bonus bids, rents, royalties (including payments for royally in kind and sold), net profit share payments, and related late-payment interest from natural gas and oil leases issued under this Act.

EXCLUSION. —The term ‘‘qualified Outer Continental Shelf revenues’’ does not include any revenues from a leased tract or portion of a leased tract that is located in a geographic area subject to a leasing moratorium on January 1, 2005, unless the lease was in production on January 1, 2005.

(b) PAYMENTS TO PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS. —

The Secretary shall, without further appropriation, disburse to producing States and coastal political subdivisions in accordance with this section $250,000,000 for each of fiscal years 2006 and 2007.

(2) DISBURSEMENT. —In each fiscal year, the Secretary shall disburse to each producing State for which the Secretary has approved a plan under subsection (c), and to coastal political subdivisions under paragraph (4), such funds as are allocated to the producing State or coastal political subdivision, respectively, under this section for that fiscal year.

(3) ALLOCATION AMONG PRODUCING STATES. —

(A) IN GENERAL. —Except as provided in subparagraphs (C), (E), and (F) of paragraph (1), the amounts available under paragraph (1) shall be allocated to each producing State based on the ratio that—

(i) the amount of qualified outer Continental Shelf revenues generated off the coastline of the producing State; bears to

(ii) the amount of qualified outer Continental Shelf revenues generated off the coastline of all producing States.

(B) AMOUNT OF OUTER CONTINENTAL SHELF REVENUES. —For purposes of subparagraph (A)—

(i) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2006 and 2007 shall be determined using qualified outer Continental Shelf revenues received for fiscal year 2006; and

(ii) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2009 and 2010 shall be determined using qualified outer Continental Shelf revenues received for fiscal years 2009 and 2010; and

(C) MULTIPLE PRODUCING STATES. —In a case in which more than 1 producing State is located within the area in which any portion of a leased tract, the amount allocated to each producing State for the leased tract shall be inversely proportional to the distance between—

(i) the nearest point on the coastline of the producing State; and

(ii) the geographic center of the leased tract.

(D) MINIMUM ALLOCATION. —The amount allocated to a producing State under subparagraph (A) shall be at least 1 percent of the amounts available under paragraph (1).

(4) ALLOCATIONS TO COASTAL POLITICAL SUBDIVISIONS. —

(A) IN GENERAL. —The Secretary shall pay 35 percent of the allocated share of each producing State, under paragraph (3), to coastal political subdivisions in the producing State.

(B) FORMULA. —Of the amount paid by the Secretary to coastal political subdivisions under subparagraph (A)—

(i) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(I) the number of miles of coastline of the coastal political subdivision; bears to

(ii) the number of miles of coastline of all coastal political subdivisions in the producing State; and

(ii) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(III) the number of miles of coastline of the coastal political subdivision; bears to

(B) and except as provided in subparagraph (C), the amounts allocated under subparagraph (A) shall be divided equally among those coastal political subdivisions that are closest to the geographic center of each leased tract.

(C) EXCEPTION FOR THE STATE OF LOUISIANA. —For the purposes of allocating amounts under paragraph (1) to the State of Louisiana, the amount distributed to the State of Louisiana shall be considered to be 1/2 the average length of the coastline of all coastal political subdivisions with a coastline in the State of Louisiana.

(D) EXCEPTION FOR THE STATE OF ALASKA. —For the purposes of setting aside amounts under paragraph (1) to the State of Alaska, the amounts allocated to the State of Alaska shall be divided equally among all 1 coastal political subdivisions that are closest to the geographic center of a leased tract.

(E) EXCLUSION OF CERTAIN LEASED TRACTS. —For purposes of subparagraph (B)(ii), a leased tract or portion of a leased tract shall be excluded if the tract or portion of a leased tract is located in a geographic area subject to a leasing moratorium on January 1, 2005, unless the lease was in production on that date.

(5) NO APPROVED PLAN. —

(A) IN GENERAL. —Subject to subparagraph (B) and except as provided in subparagraph (C), in case in which any amount allocated to a producing State or coastal political subdivision under paragraph (4) or (5) is not disbursed because the producing State does not have in effect a plan that has been approved by the Secretary under subsection (c), the Secretary shall allocate the unallocated amount equally among all other producing States.

(B) RETENTION OF ALLOCATION. —The Secretary shall hold in escrow an undisbursed amount received under this section, including any amount deposited in a trust fund that is administered by the Secretary on behalf of the producing States, until such time as all amounts obligated for unapproved uses have been repaid or reobligated for authorized uses.

(C) AMENDMENT. —

(A) IN GENERAL. —Not later than 90 days after approval of a plan submitted under paragraph (1) or (3), the Secretary shall approve or disapprove the plan or amendment.

(4) AUTHORIZED USES. —

(B) submitted to the Secretary for approval or disapproval under paragraph (4).

(5) NO APPROVED PLAN. —

(D) PROCEDURE. —Not later than 90 days after the Secretary approves any plan submitted under paragraph (1) or (3), the Secretary shall approve or disapprove the plan or amendment.

(6) AUTHORIZED USES. —

(A) PROJECTS AND ACTIVITIES FOR THE CONSERVATION, PROTECTION, OR RESTORATION OF COASTAL AREAS, INCLUDING WETLAND.

(B) MITIGATION OF DAMAGE TO FISH, WILDLIFE, OR NATURAL RESOURCES.

(C) PLANNING ASSISTANCE AND THE ADMINISTRATIVE COSTS OF COMPLYING WITH THIS SECTION.

(D) IMPLEMENTATION OF A FEDERALLY-APPROVED MANAGEMENT PLAN, OR COMPREHENSIVE CONSERVATION MANAGEMENT PLAN.

(E) MITIGATION OF THE IMPACT OF OUT CONTINENTAL SHELF ACTIVITIES THROUGH FUNDING OF ON-SHORE INFRASTRUCTURE PROJECTS AND PUBLIC SERVICE NEEDS.

(7) COMPLIANCE WITH AUTHORIZED USES. —If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amount under this section to the producing State or coastal political subdivision until such time as all amounts obligated for unapproved uses have been repaid or reobligated for authorized uses.

(8) LIMITATION. —Not more than 23 percent of the amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described in subparagraphs (C) and (E) of paragraph (1).

SEC. 385. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) IN GENERAL. —The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers to meet the energy and mineral security requirements of the United States.

(b) INCLUSIONS. —The study shall include an assessment of—

(1) the need for and availability of workers for the oil, gas, and mineral industries;
(2) the availability of skilled labor at both entry level and more senior levels; and
(3) recommendations for future actions needed to meet future labor requirements.
(c) No Federal or State permit or lease shall be issued for new oil and gas slant, directional, or offshore drilling in or under one or more of the Great Lakes.

SEC. 386. GREAT LAKES OIL AND GAS DRILLING BAN.

No Federal or State permit or lease shall be issued for new oil and gas slant, directional, or offshore drilling in or under one or more of the Great Lakes.

SEC. 387. FEDERAL COALBED METHANE REGULATION.

Any State currently on the list of Affected States established under section 1339(b) of the Energy Policy Act of 1992 (42 U.S.C. 1336(b)) shall be removed from the list if, not later than 3 years after the date of enactment of this Act, the State takes, or prior to the date of enactment has taken, any of the actions required for removal from the list under such section 1339(b).

SEC. 388. ALTERNATE ENERGY-RELATED USES ON THE OUTER CONTINENTAL SHELF.

(a) AMENDMENT TO OUTER CONTINENTAL SHELF LANDS ACT.—Section 8 of the Outer Continental Shelf Lands Act (41 U.S.C. 1337) is amended to end the following:


(b) Secretary, in consultation with the Secretary of the Department in which the Coast Guard is operating and other relevant departments and agencies of the Federal Government, may grant a lease, easement, or right-of-way on the outer Continental Shelf for activities not otherwise authorized in this Act, the Deepwater Port Act of 1974 (33 U.S.C. 1501 et seq.), the Ocean Thermal Energy Conversion Act of 1980 (42 U.S.C. 5101 et seq.), or other applicable law, if those activities—

(A) support exploration, development, production, or storage of oil or gas; or
(B) support transportation of oil or natural gas, excluding shipping activities;

(c) support or produce production, transportation, and distribution of energy from sources other than oil and gas; or

(d) use, for energy-related purposes or for other authorized marine-related purposes, facilities currently used for oil or gas exploration, exploitation, or development authorized under this Act, except that any oil and gas energy-related uses shall not be authorized in areas in which oil and gas preleasing, leasing, and related activities are prohibited by a moratorium; and


(3) Drilling an oil or gas well at a location or under an area within five (5) years prior to the date of enactment.

(4) REQUIREMENTS.—The Secretary shall ensure that the activity under this subsection is carried out in a manner that provides for—

(A) safety;
(B) protection of the environment; and
(C) protection of correlative rights in the outer Continental Shelf;

(5) protection of national security interests of the United States;

(6) coordination with relevant Federal agencies; and

(7) C OORDINATION AND CONSULTATION WITH THE OUTER CONTINENTAL SHELF.

(a) COMPETITIVE OR NONCOMPETITIVE BASIS.—Except with respect to projects that meet the criteria established under section 388(d) of the Energy Policy Act of 2005, the Secretary shall issue a lease, easement, or right-of-way under paragraph (1) on a competitive basis unless the Secretary determines after public notice of a proposed lease, easement, or right-of-way that there is no competitive interest.

(b) REQUIREMENTS.—The Secretary shall ensure that the activity under this subsection is carried out in a manner that provides for—

(A) safety;
(B) protection of the environment; and
(C) protection of correlative rights in the outer Continental Shelf;

(2) a fair return to the United States for any lease, easement, or right-of-way under this subsection;

(3) the prevention of interference with reasonable uses (as determined by the Secretary) of the exclusive economic zone, the high seas, and the territorial seas;

(4) determination of—

(A) the location of, and any schedule relating to, a lease, easement, or right-of-way for an area of the outer Continental Shelf; and

(B) any other use of the sea or seabed, including use for a fishery, a seafloor, a potential site of a deepwater port, or navigational; or

(C) public notice and comment on any proposal submitted for a lease, easement, or right-of-way under this subsection; and

(D) oversight of research, monitoring, and enforcement relating to a lease, easement, or right-of-way under this subsection.

(3) LEASE DURATION, SUSPENSION, AND CANCELLATION.—The Secretary shall provide for the duration, issuance, transfer, renewal, suspension, and cancellation of a lease, easement, or right-of-way under this subsection.

(4) SECURITY.—The Secretary shall require the holder of a lease, easement, or right-of-way granted under this subsection to—

(A) furnish a surety bond or other form of security, as prescribed by the Secretary;

(B) comply with such other requirements as the Secretary considers necessary to protect the interests of the public and the United States; and

(C) provide for the restoration of the lease, easement, or right-of-way.

(5) COORDINATION AND CONSULTATION WITH AFFEC TED STATE AND LOCAL GOVERNMENTS.—The Secretary shall provide for coordination and consultation with the Governor of any State or the executive of any local government that may be affected by a lease, easement, or right-of-way under this subsection.

(6) REGULATIONS.—Not later than 270 days after the date of enactment of the Energy Policy Act of 2005, the Secretary, in consultation with the Secretary of Defense, the Secretary of the Department in which the Coast Guard is operating and other relevant departments and agencies of the Federal Government, and the Governor of any affected State, shall issue any necessary regulations to carry out this section.

(7) EFFECT OF SUBSECTION.—Nothing in this subsection supersedes, suspends, limits, or modifies the jurisdiction, responsibility, or authority of any Federal or State agency under any other Federal law.

(8) APPLICABILITY.—This subsection does not apply to any area on the outer Continental Shelf within the exterior boundaries of any unit of the National Park System, National Wildlife Refuge System, or National Marine Sanctuary System, or any National Monument.

SEC. 389. NEPA REVIEW.

(a) NEPA REVIEW.—Action by the Secretary of the Interior in managing the public lands, or the Secretary of Agriculture in managing National Forest System Lands, with respect to any of the activities described in subsection (b) shall be subject to a rebuttable presumption that the use of a categorical exclusion under the National Environmental Policy Act of 1969 (NEPA) would apply if the activity is conducted pursuant to the Mineral Leasing Act for the purpose of exploration or development, and production in the State of Alaska have ceased.

(1) in section 5001(i), by striking “September 30, 2012” and inserting “1 year after the date on which the Secretary, in consultation with the Secretary of the Interior, determines that oil and gas exploration, development, and production in the State of Alaska have ceased”; and

(2) in section 5006(c), by striking “October 1, 2012” and inserting “1 year after the date on which the Secretary, in consultation with the Secretary of the Interior, determines that oil and gas exploration, development, and production in the State of Alaska have ceased.”

SEC. 390. NEPA REVIEW.

(a) NEPA REVIEW.—Action by the Secretary of the Interior in managing the public lands, or the Secretary of Agriculture in managing National Forest System Lands, with respect to any of the activities described in subsection (b) shall be subject to a rebuttable presumption that the use of a categorical exclusion under the National Environmental Policy Act of 1969 (NEPA) would apply if the activity is conducted pursuant to the Mineral Leasing Act for the purpose of exploration or development, and production in the State of Alaska have ceased.

(b) ACTIVITIES DESCRIBED.—The activities referred to in subsection (a) are the following:

(i) Any individual surface disturbances of less than five (5) acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to NEPA has been previously completed.

(ii) Drilling an oil or gas well at a location or well pad site at which drilling has occurred previously within five (5) years prior to the date of spudding the well.

(iii) Drilling an oil or gas well within a developed field for which an approved land use plan or an approved categorical exclusion has been approved by the Secretary pursuant to NEPA analyzed such drilling as a reasonably foreseeable activity, so long as such plan or
document was approved within five (5) years prior to the date of spudding the well.

(4) Placement of a pipeline in an approved right-of-way corridor, so long as the corridor was approved within five (5) years prior to the date of placement of the pipeline.

(5) Maintenance of a minor activity, other than any construction or major renovation or a building or facility.

Subtitle II—Refinery Revitalization

SEC. 391. FINDINGS AND DEFINITIONS.

(a) FINDINGS.—Congress finds that—

(1) it serves the national interest to increase petroleum refinery capacity for gasoline, heating oil, diesel fuel, jet fuel, kerosene, and petrochemical feedstocks wherever located within the United States, to bring more supply to the markets for American people;

(2) United States demand for refined petroleum products currently exceeds the country's petroleum refining capacity to produce such products;

(3) this excess demand has been met with increased imports;

(4) due to lack of capacity, refined petroleum product imports are expected to grow from 7.9 percent to 10.7 percent of total refined product by 2025;

(5) refineries are still subject to significant environmental regulations and face several new requirements under the Clean Air Act (42 U.S.C. 7401 et seq.) over the next decade; and

(6) better coordination of Federal and State regulations and other support will help facilitate siting and construction of new refineries to meet the demand in the United States for refined products.

(b) DEFINITIONS.—In this subtitle:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) STATE.—The term "State" means—

(A) a State;

(B) the Commonwealth of Puerto Rico; and

(C) any other territory or possession of the United States.

SEC. 392. FEDERAL-STATE REGULATORY COORDINATION AND ASSISTANCE.

(a) IN GENERAL.—At the request of the Governor of a State, the Administrator may enter into a refinery permitting cooperative agreement with the State, under which each party to the agreement agrees to include, among other requirements, that it will take to streamline the consideration of Federal-State environmental permits for a new refinery.

(b) AUTHORITY UNDER AGREEMENT.—The Administrator shall be authorized to—

(1) accept from a refiner a consolidated application for all permits required from the Environmental Protection Agency, to the extent consistent with other applicable law;

(2) enter into memoranda of agreement with other Federal agencies to coordinate consideration of refinery applications and permits among Federal agencies; and

(3) enter into memoranda of agreement with a State, under which Federal and State review of refinery permit applications will be coordinated and concurrently considered, to the extent practicable.

(c) STATE ASSISTANCE.—The Administrator is authorized to provide financial assistance to State governments to facilitate the hiring of additional personnel with expertise in fields relevant to consideration of refinery permits.

(d) OTHER ASSISTANCE.—The Administrator is authorized to provide technical, legal, or other assistance to State governments to facilitate their review of applications to build new refineries.

TITLE IV—COAL

Subtitle A—Clean Coal Power Initiative

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) CLEAN COAL POWER INITIATIVE.—There are authorized to be appropriated to the Secretary to carry out the activities authorized by this subtitle $200,000,000 for each of fiscal years 2006 through 2014, to remain available until expended.

(b) REPORT.—The Secretary shall submit to Congress an annual report required by this subsection not later than March 31, 2007. The report shall include, with respect to subsection (a), a plan containing—

(1) a detailed assessment of whether the aggregate funding levels provided under subsection (a) are the appropriate funding levels for that program;

(2) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken;

(3) a detailed list of technical milestones for each coal and related technology that will be pursued; and

(4) a detailed description of how the program will avoid problems enumerated in Government Accountability Office reports on the Clean Coal Technology Program, including problems that have resulted in unspent funds and projects that failed either financially or scientifically.

SEC. 402. PROJECT CRITERIA.

SEC. 403. FUNDING LEVELS.

SEC. 404. PROJECT MANAGEMENT.

SEC. 405. REPORT TO CONGRESS.

SEC. 406. INTEGRITY PARCERSHIP.

SEC. 407. TOXICITY.

SEC. 408. OUTCOME.

SEC. 409. PROJECT PERFORMANCE.

SEC. 410. REPORT TO CONGRESS.

SEC. 411. ADMINISTRATIVE DETERMINATIONS.

SEC. 412. PERIODIC DETERMINATION.

SEC. 413. TECHNICAL MILESTONES.

SEC. 414. PERMITTED USES.

SEC. 415. ELEVATION OF SITE.

SEC. 416. APPLICATION OF HUMAN HEALTH AND ENVIRONMENTAL CRITERIA.

SEC. 417. CONSTRUCTION AND COMMISSIONING.
402 and how those milestones ensure progress to-
ceeding 5 years after completion of the oper-
that the recipient of the assistance enter into an
extension of the time period established for the
that the recipient of the assistance enter into an
nual assistance under the Secretary, that the owner or operator of the
(3) EXTENSION OF TIME PERIOD.
(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may extend the time period established under paragraph (1) if the Secretary determines, in the sole discretion of the Secretary, that the owner or operator of the project cannot complete the construction or demonstration project within the time period due to circumstances beyond the control of the owner or operator.
(B) LIMITATION.—The Secretary shall not extend the time period under subparagraph (A) by more than 4 years.
(f) SCHEDULED COMPLETION OF SELECTED PROJECTS.—
(1) IN GENERAL.—In selecting a project for financial assistance under this section, the Secretary shall establish a reasonable period of time during which the owner or operator of the project shall complete the construction or demonstration phase of the project, as the Secretary determines to be appropriate.
(2) CONDITION OF FINANCIAL ASSISTANCE.—The Secretary shall require as a condition of receipt of any assistance under this subsection that the recipient of the assistance enter into an agreement with the Secretary not to request an extension of the time period established for the project set forth under paragraph (1).
(3) EXTENSION OF TIME PERIOD.
(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may extend the time period established under paragraph (1) if the Secretary determines, in the sole discretion of the Secretary, that the owner or operator of the project cannot complete the construction or demonstration project within the time period due to circumstances beyond the control of the owner or operator.
(B) LIMITATION.—The Secretary shall not extend the time period under subparagraph (A) by more than 4 years.
(g) FEB TITLE.—The Secretary may estce
on the direct loan provided under subsection (b).
(f) INVESTMENT TAX CREDITS.—
(1) IN GENERAL.—The loan guarantees provided under this section do not preclude the fa-
(d) USE OF PAYMENTS.—The Secretary shall use $5,000,000 from
SEC. 416. ELECTRON SCRUBBING DEMONSTRATION PROJECT.
The Secretary is authorized to provide loan guarantees for a project to demonstrate production of energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 417. PETROLEUM COKE GASIFICATION.
The Secretary is authorized to provide loan guarantees for a project to demonstrate production of energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 418. ELECTRON SCRUBBING DEMONSTRA-
SEC. 419. COAL GASIFICATION.
The Secretary is authorized to provide loan guarantees for a project to demonstrate production of energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 417. PETROLEUM COKE GASIFICATION.
The Secretary is authorized to provide loan guarantees for a project to demonstrate production of energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 419. COAL GASIFICATION.
The Secretary is authorized to provide loan guarantees for a project to demonstrate production of energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.
SEC. 418. ELECTRON SCRUBBING DEMONSTRA-

manufactured from Illinois basin coal, including the capital modification of existing facilities and the construction of testing facilities under subsection (b).

(2) RETRIEVAL ACTIVITIES.—For the purpose of evaluating the commercial and technical viability of different processes for producing Fischer-Tropsch transportation fuels, and other transportation fuels, from Illinois basin coal, the Secretary shall support the use and capital modification of existing facilities and the construction of new facilities at—

(1) Southern Illinois University Coal Research Center;
(2) University of Kentucky Center for Applied Energy Research; and
(3) Energy Center at Purdue University.

(c) GASIFICATION PRODUCTS TEST CENTER.—In conjunction with the activities described in subsection (b), the Secretary shall construct a test center to evaluate and confirm liquid and gas products from syn gas catalysis in order that the system has an output of at least 500,000 gallons of Fischer-Tropsch transportation fuel per day in a 24-hour operation.

(d) MILESTONES.—

(1) SELECTION OF PROCESSES.—Not later than 180 days after the date of enactment of this Act, the Secretary shall select processes for evaluating the commercial and technical viability of different processes of producing Fischer-Tropsch transportation fuels, from Illinois basin coal.

(2) AGREEMENTS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall enter into agreements to—

(A) to carry out the activities described in this section, at the facilities described in subsection (b); and

(B) for the capital modifications or construction of the facilities at the locations described in subsection (b).

(3) AUDITIONS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall begin, at the facilities described in subsection (b), evaluation of the technical and commercial viability of different processes of producing Fischer-Tropsch transportation fuels, and other transportation fuels, from Illinois basin coal.

(e) CONSTRUCTION OF FACILITIES.—

(A) IN GENERAL.—The Secretary shall construct the facilities described in subsection (b) at the locations described in subsection (b).

(B) GRANTS OR AGREEMENTS.—The Secretary may make grants or enter into agreements or contracts with the institutions of higher education described in subsection (b) to facilitate the construction of facilities.

(f) COST SHARING.—The cost of making grants under this section shall be shared in accordance with section 986.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $85,000,000 for the period of fiscal years 2006 through 2010.

Subtitle C—Coal and Related Programs


(a) AMENDMENT.—The Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.) is amended by adding at the end the following:

“(c) PROGRAM BALANCE AND PRIORITY.—In carrying out the program under section 3102(a)(1), the Secretary shall, to the extent practicable that—

(1) between 25 percent and 75 percent of the projects supported are for the sole purpose of electrical generation;

(2) priority is given to projects that use electrical generation equipment and processes that have been developed and demonstrated and that are not yet cost-competitive, and that achieve greater efficiency and environmental performance.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out section 3102(a)(1)—

(A) $250,000,000 for fiscal year 2007;

(B) $350,000,000 for fiscal year 2008; and

(C) $400,000,000 for each of fiscal years 2009 through 2012; and

(D) $400,000,000 for fiscal year 2013.

(b) APPLICABILITY.—No technology, or level of emission reduction shall be treated as adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411), achievable for purposes of section 169 of that Act (42 U.S.C. 7479), or achievable in practice for purposes of section 171 of that Act (42 U.S.C. 7501) solely by reason of the use of such technology, or the achievement of such emission reduction by 1 or more facilities receiving assistance under section 3102(a)(1).

SEC. 3104. AIR QUALITY ENHANCEMENT PROGRAM.

(a) ELIGIBLE PROJECTS.—Projects supported under section 3102(a)(1) may include—

(1) energy processes and other technology that the Secretary determines will be cost-effective and could substantially contribute to meeting environmental or energy needs, including gasification, gasification technology, energy efficiency, power generation, energy efficiency and environmental performance, as part of the energy policy described in section 3102(a)(1).

(b) CRITERIA.—The Secretary shall establish criteria for the selection of generation projects supported under section 3102(a)(1) to include—

(1) priority of projects whose technologies are in operation on a full scale, and are cost-effective, and that achieve greater efficiency and environmental performance.

(2) priority of projects whose technologies have been developed and demonstrated and are not yet cost-competitive, and that achieve greater efficiency and environmental performance.

(3) projects designed to allow the use of the waste byproducts or other byproducts of the equipment.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out section 3102(a)(2)—

(1) $300,000,000 for fiscal year 2007;

(2) $350,000,000 for fiscal year 2008; and

(3) $400,000,000 for each of fiscal years 2009 through 2012; and

(4) $400,000,000 for fiscal year 2013.

SEC. 3105. GENERATION PROJECTS.

(1) cost-sharing of an appropriate percentage of the total project cost, not to exceed 50 percent as calculated in section 986 of the Energy Policy Act of 2005; or

(2) financial assistance, including grants, cooperative agreements, or loans as authorized under this Act or other statutory authority of the Secretary.

SEC. 3103. GENERATION PROJECTS.

(a) ELIGIBLE PROJECTS.—Projects supported under section 3102(a)(1) may include—

(1) equipment or processes previously supported by a Department of Energy program;

(2) advanced combustion equipment and processes that the Secretary determines will be cost-effective and could substantially contribute to meeting environmental or energy needs, including gasification, gasification technology, energy efficiency, power generation, energy efficiency and environmental performance, as part of the energy policy described in section 3102(a)(1).

(b) CRITERIA.—The Secretary shall establish criteria for the selection of generation projects supported under section 3102(a)(1) to include—

(1) priority of projects whose technologies are in operation on a full scale, and are cost-effective, and that achieve greater efficiency and environmental performance.

(2) priority of projects whose technologies have been developed and demonstrated and are not yet cost-competitive, and that achieve greater efficiency and environmental performance.

(3) hybrid gasification/combustion systems, including systems integrating fuel cells with gasification or combustion units.

SEC. 3102. AUTHORIZATION OF PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a program of financial assistance to—

(1) facilitate the production and generation of coal-based power, through the deployment of clean coal electric generating equipment and processes that, compared to equipment or processes that are in operation on a full scale—

(A) improve—

(i) energy efficiency; or

(ii) environmental performance consistent with relevant Federal and State clean air requirements, including those promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.); and

(B) are not yet cost competitive; and

(2) facilitate the utilization of existing coal-based electricity generation plants through projects that—

(A) deploy advanced air pollution control equipment and processes, if the Secretary determines that such equipment or processes will be cost-effective and could substantially contribute to meeting environmental or energy needs, including gasification, gasification technology, energy efficiency, power generation, energy efficiency and environmental performance, as part of the energy policy described in section 3102(a)(1).

(b) CRITERIA.—As determined by the Secretary for a particular project, financial assistance under this title shall be in the form of—

(1) cost-sharing of an appropriate percentage of the total project cost, not to exceed 50 percent as calculated in section 986 of the Energy Policy Act of 2005; or

(2) financial assistance, including grants, cooperative agreements, or loans as authorized under this Act or other statutory authority of the Secretary.

SEC. 3101. PURPOSES.

(a) PROMOTE NATIONAL ENERGY POLICY.—The purposes of this title are to—

(1) promote national energy policy and energy security, diversity, and economic competitiveness benefits that result from the increased use of coal;

(2) mitigate financial risks, reduce the cost of clean coal generation, and increase the market place acceptance of clean coal generation and pollution control equipment and processes; and

(3) facilitate the environmental performance of coal-based energy systems.

(b) PROMOTE ADAPTATION OF TECHNOLOGIES.—

(1) acrylic benefits that result from the increased use of coal;

(2) mitigate financial risks, reduce the cost of clean coal generation, and increase the market place acceptance of clean coal generation and pollution control equipment and processes; and

(3) facilitate the environmental performance of coal-based energy systems.
(42 U.S.C. 7501) solely by reason of the use of such technology, or the achievement of such emission reduction, by 1 or more facilities receiving assistance under section 312(a)(2)."

(6) The Secretary; (7) Nothing; (8) by striking the fourth, fifth, and sixth sentences; and (9) by inserting after paragraph (3) (as designated by paragraph (3)) the following: "(4) Advanced technologies described in paragraph (2) shall be computed— "(A) based on— "(i) the average price in the spot market for sales of comparable coal from the same region during the last month of each applicable continued operation year; or "(ii) in the absence of a spot market for comparable coal from the region, by using comparable method established by the Secretary of the Interior to capture the commercial value of coal; and "(B) based on commercial quantities, as defined by regulation by the Secretary of the Interior."

(2) in the second sentence, by striking “The Secretary” and inserting the following: "(b) The Secretary; (3) in the third sentence, by striking “the minimum” and inserting the following: "(c) The minimum"; (4) in subsection (a) (as designated by paragraph (3)); (5) by striking “upon” and all that follows and inserting the following: "secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous or cornering to those embraced in the lease."; and (6) by adding at the end the following: "(2) A finding referred to in paragraph (1) is a finding by the Secretary that the modifications— "(A) would be in the interest of the United States; "(B) would not displace a competitive interest in the lands; and "(C) would not include lands or deposits that can be developed as part of another potential or existing operation."

(3) in no case shall the total area added by modifications to an existing coal lease under paragraph (1)— "(A) exceed 969 acres; or "(B) add acreage larger than that in the original lease.";

SEC. 432. REPEAL OF THE 100-ACRE LIMITATION FOR COAL LEASES. Section 3 of the Mineral Leasing Act (30 U.S.C. 203) is amended— (1) in the first sentence, by striking “Any person” and inserting the following: “(a)(1) Except as provided in paragraph (3), on a finding by the Secretary under paragraph (2), any person”;

(2) in the second sentence, by striking “The Secretary” and inserting the following: "(b) The Secretary; (3) in the third sentence, by striking “the minimum” and inserting the following: "(c) The minimum”; (4) in subsection (a) (as designated by paragraph (3)); (5) by striking “upon” and all that follows and inserting the following: "secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous or cornering to those embraced in the lease.”; and (6) by adding at the end the following: "(2) A finding referred to in paragraph (1) is a finding by the Secretary that the modifications— "(A) would be in the interest of the United States; "(B) would not displace a competitive interest in the lands; and "(C) would not include lands or deposits that can be developed as part of another potential or existing operation."

(3) in no case shall the total area added by modifications to an existing coal lease under paragraph (1)— "(A) exceed 969 acres; or "(B) add acreage larger than that in the original lease.”;

SEC. 433. APPROVAL OF LOGICAL MINING UNITS. Section 2(d)(2) of the Mineral Leasing Act (30 U.S.C. 202a(2)) is amended— (1) by inserting “(A)” after “(2)”; and (2) by adding at the end the following: "(B) The Secretary may establish a period of more than 10 years if the Secretary determines that the longer period— "(i) will ensure the maximum economic recovery of a coal deposit; or "(ii) is in the interest of the orderly, efficient, or economic development of a coal resource.”;

SEC. 434. PAYMENT OF ADVANCE ROYALTIES ON COAL LEASES. Section 7(b) of the Mineral Leasing Act (30 U.S.C. 207(b)) is amended— (1) in the first sentence, by striking “Each lease” and inserting the following: “(1) Each lease”;

(2) in the second sentence, by striking “The Secretary” and inserting the following: "(b) The Secretary; (3) in the third sentence, by striking “Such advance royalties” and inserting the following: "(c) Advance royalties described in paragraph (2)"; (4) in the seventh sentence, by striking “The Secretary” and inserting the following: "(d) The Secretary; (5) in the last sentence, by striking “Nothing” and inserting the following: “(5) Nothing; (6) by striking the fourth, fifth, and sixth sentences; and (7) by inserting after paragraph (3) (as designated by paragraph (3)) the following: “(4) Advanced technologies described in paragraph (2) shall be computed— “(A) based on— "(i) the average price in the spot market for sales of comparable coal from the same region during the last month of each applicable continued operation year; or "(ii) in the absence of a spot market for comparable coal from the region, by using comparable method established by the Secretary of the Interior to capture the commercial value of coal; and "(B) based on commercial quantities, as defined by regulation by the Secretary of the Interior."

(2) in the second sentence, by striking “The Secretary” and inserting the following: "(b) The Secretary; (3) in the third sentence, by striking “the minimum” and inserting the following: "(c) The minimum”; (4) in subsection (a) (as designated by paragraph (3)); (5) by striking “upon” and all that follows and inserting the following: “secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous or cornering to those embraced in the lease.”; and (6) by adding at the end the following: "(2) A finding referred to in paragraph (1) is a finding by the Secretary that the modifications— "(A) would be in the interest of the United States; "(B) would not displace a competitive interest in the lands; and "(C) would not include lands or deposits that can be developed as part of another potential or existing operation."

(3) in no case shall the total area added by modifications to an existing coal lease under paragraph (1)— "(A) exceed 969 acres; or "(B) add acreage larger than that in the original lease.”;
(Sec. 216. Office of Intelligence

"Sec. 217. Office of Indian Energy Policy and Programs").

(2) Section 5315 of title 5, United States Code, is amended by inserting after the item related to the Director General, Department of Energy the following new item:

"Director, Office of Indian Energy Policy and Programs, Department of Energy.

"Sec. 219. MINORITIES IN ENERGY

(a) In General.—(1) The term "minority" means Indian, black, Hispanic, Arab-American, black-American, or Pacific Islander.

(b) The term "Indian" means any Indian tribe, as the term is defined in section 3 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

Sec. 220. DEPARTMENT OF THE INTERIOR IMPLEMENTATION

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

Sec. 221. DEPARTMENT OF THE INTERIOR PROGRAMS

(a) The Director shall establish programs as are necessary to achieve the goals of this section.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 222. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT

(a) The term "Indian tribe" means any tribe under section 3 of the Federal Indian Tribes Act (25 U.S.C. 1861 et seq.) that is recognized by the United States or by the Indian tribe.

(b) The term "Indian" means any Indian tribe, as the term is defined in section 3 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

Sec. 223. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 224. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 225. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 226. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 227. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 228. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 229. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.

Sec. 230. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT PROGRAMS

(a) The Director shall establish such programs as are necessary to ensure that assistance provided under this section is consistent with the goals of the Department of the Interior.

(b) The Director shall consult with the Secretary of Energy in carrying out this section.

(c) The Director shall coordinate the activities of the Department of the Interior and the Secretary of Energy to ensure that programs established under this section are consistent with the goals of the Department of the Interior.
(d) PREFERENCE.—

(1) In purchasing electricity or any other energy product or byproduct, a Federal agency or department may give preference to an energy resource agreement submitted by an Indian tribe, partnership, corporation, or other type of business organization the majority of the interest in which is owned and controlled by 1 or more Indian tribes or any combination of Indian tribes.

(2) In carrying out this subsection, a Federal agency or department shall not—

(A) pay more than the prevailing market price for an energy product or byproduct; or

(B) obtain less than prevailing market terms and conditions.

**SEC. 2603. INDIAN TRIBAL ENERGY RESOURCES REGULATION.**

(a) GRANTS.—The Secretary may provide to Indian tribes, on an annual basis, grants for use in accordance with subsection (b).

(b) STATE OF FUNDS.—Funds from a grant provided under this section may be used—

(1) (A) by an Indian tribe for the development of a tribal energy resource inventory or tribal energy resource on Indian land; or

(B) by an Indian tribe for the development of a feasibility study or other report necessary to the development of energy resources on Indian land;

(c) by an Indian tribe (other than an Indian Tribe in the State of Alaska, except the Metlakatla (Alaskan) Community) for—

(i) the development and enforcement of tribal laws (including regulations) relating to tribal energy resource development; and

(ii) the development of technical infrastructure to protect the environment under applicable law; or

(D) by a Native Corporation for the development and implementation of corporate policies and the development of technical infrastructure to protect the environment under applicable law; and

(2) by an Indian tribe for the training of employees that—

(A) are engaged in the development of energy resources on Indian land; or

(B) are responsible for protecting the environment.

(c) OTHER ASSISTANCE.—

(1) In carrying out the obligations of the United States under this title, the Secretary shall ensure, to the maximum extent practicable and to the extent of available resources, that on the request of an Indian tribe, the Secretary shall have available scientific and technical information and expertise, for use in the regulation, development, and management of energy resources on Indian land.

(2) The Secretary may carry out paragraph (1)—

(A) directly, through the use of Federal officials; or

(B) indirectly, by providing financial assistance to an Indian tribe to secure independent assistance.

**SEC. 2604. LEASES, BUSINESS AGREEMENTS, AND RIGHTS-OF-WAY INVOVING ENERGY DEVELOPMENT OR TRANSMISSION.**

(a) LEASES AND BUSINESS AGREEMENTS.—In accordance with this section—

(1) an Indian tribe may, at the discretion of the Indian tribe, enter into a lease or business agreement for the purpose of energy resource development on tribal land, including a lease or business agreement for—

(A) exploration for, extraction of, processing of, or other development of the energy mineral resources of the Indian tribe located on tribal land; and

(B) construction or operation of—

(i) a transmission, or distribution facility located on tribal land; or

(ii) a facility to process or refine energy resources developed on tribal land; and

(2) a lease or business agreement described in paragraph (1) shall not require review by or the approval of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81), or any other provision of law, if—

(A) the lease or business agreement is executed pursuant to a tribal energy resource agreement approved by the Secretary under subsection (c); (B) the term of the lease or business agreement does not exceed—

(i) 30 years; or

(ii) in the case of a lease for the production of oil resources, gas resources, or both, 10 years and as long thereafter as oil or gas is produced in paying quantities; and

(C) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including the periodic review and evaluation of the activities of the Indian tribe under the agreement, to be conducted pursuant to subsection (e)(2)(D)(ii)).

(b) RIGHTS-OF-WAY FOR PIPELINES OR ELECTRIC TRANSMISSION OR DISTRIBUTION LINES.—An Indian tribe may grant a right-of-way over tribal land for a pipeline or an electric transmission or distribution line without review or approval by the Secretary—

(1) the right-of-way is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (c); or

(2) the term of the right-of-way does not exceed 30 years;

(2) the pipeline or electric transmission or distribution line is delivered to the Secretary in accordance with regulations promulgated by the Secretary under paragraph (4); or

(3) the pipeline or electric transmission or distribution line serves—

(A) an electric generation, transmission, or distribution facility located on tribal land; or

(B) a facility located on tribal land that processes or refrines energy resources developed on tribal land; and

(4) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including the periodic review and evaluation of the activities of the Indian tribe under the agreement described in subparagraphs (D) and (E) of subsection (e)(2)).

(c) RENEWALS.—A lease or business agreement entered into, or a right-of-way granted, by an Indian tribe under this section may be renewed at the discretion of the Indian tribe in accordance with this subsection.

(1) On the date on which regulations are promulgated under paragraph (8), an Indian tribe may submit to the Secretary for approval a tribal energy resource agreement governing leases, business agreements, and rights-of-way under this section.

(2) Not later than 270 days after the date on which the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (1), or not later than 60 days after the Secretary receives a tribal energy resource agreement from an Indian tribe under paragraph (4)(C) (or a later date, as agreed to by the Secretary and the Indian tribe), the Secretary shall approve or disapprove the tribal energy resource agreement.

(2)(A) The Secretary shall approve a tribal energy resource agreement submitted under paragraph (1) if—

(i) the Secretary determines that the Indian tribe has demonstrated that the Indian tribe has sufficient capacity to develop the energy resources of the Indian tribe;

(ii) the tribal energy resource agreement includes provisions required under subparagraph (D); and

(iii) the tribal energy resource agreement includes provisions that, with respect to a lease, business agreement, or right-of-way under this section—

(A) ensure the acquisition of necessary information from the applicant for the lease, business agreement, or right-of-way; (B) address the term of the lease or business agreement or the term of conveyance of the right-of-way; (C) address amendments and renewals; (D) address the economic return to the Indian tribe under leases, business agreements, and rights-of-way; (E) address technical or other relevant requirements; (F) establish requirements for environmental review in accordance with subparagraph (C); and

(G) ensure compliance with all applicable environmental laws, including a requirement that each lease, business agreement, and right-of-way state that the lessee, operator, or right-of-way grantee shall comply with all such laws; (H) identify final approval authority; or (I) provide for public notification of final approval.

(2)(B) In carrying out the obligations of the United States under this title, the Secretary may suspend or rescind the lease, business agreement, or right-of-way or take other appropriate action that the Secretary determines to be in the best interest of the Indian tribe.

(3) The Secretary determines the provision to be material, the Secretary may suspend or rescind the lease, business agreement, or right-of-way under this section, provides for, at a minimum—

(A) any breach or other violation by another party of any provision in a lease, business agreement, or right-of-way entered into under the tribal energy resource agreement; and

(B) any activity or occurrence under a lease, business agreement, or right-of-way that constitutes a violation of Federal or tribal environmental laws.

(4) Tribal energy resource agreements submitted under paragraph (1) shall establish, and include provisions to ensure compliance with, an environmental review process that, with respect to a lease, business agreement, or right-of-way under this section, provides for, at a minimum—

(i) the identification and evaluation of all significant environmental effects (as compared to a no-action alternative), including effects on cultural resources;
“(ii) the identification of proposed mitigation measures, if any, and incorporation of appropriate mitigation measures into the lease, business agreement, or right-of-way; 

(iii) a statement that—

(1) the public is informed of, and has an opportunity to comment on, the environmental impacts of the proposed action; and

(II) written and written and substantive comments are provided, before tribal approval of the lease, business agreement, or right-of-way; 

(iv) a administrative support for technical capability to carry out the environmental review process; and

(v) oversight by the Indian tribe of energy development activities by any other party under any lease, business agreement, or right-of-way entered into pursuant to the tribal energy resource agreement, to determine whether the activities are in compliance with the tribal energy resource agreement and applicable Federal environmental laws.

(D) A tribal energy resource agreement between the Secretary and an Indian tribe under this subsection shall include—

(i) provisions requiring the Secretary to conduct a periodic review and evaluation to monitor the performance of the activities of the Indian tribe associated with the development of energy resources under the tribal energy resource agreement; and

(ii) a process and requirements for public comment on the tribal energy resource agreement or applicable Federal laws, provisions authorizing the Secretary to take actions determined by the Secretary to be necessary to protect the Indian tribe, including reassignment of responsibility for activities associated with the development of energy resources on tribal land until the violation and any condition that caused the jeopardy are corrected.

(E) Periodic review and evaluation under subparagraph (D) shall be conducted on an annual basis, except that, after the third annual review and evaluation, the Secretary and the Indian tribe may mutually agree to amend the tribal energy resource agreement to authorize the review and evaluation under subparagraph (D) to be conducted every 2 years.

(3) The Secretary shall provide notice and opportunity for public comment on tribal energy resource agreements submitted for approval under this subsection. When the Secretary determines that a tribal energy resource agreement shall be limited to activities specified by the provisions of the tribal energy resource agreement.

(4) If the Secretary approves a tribal energy resource agreement submitted by an Indian tribe under paragraph (1), the Secretary shall, not later than 20 days after the date of disapproval—

(A) notify the Indian tribe of writing in the basis for the disapproval;

(B) identify what changes or other actions are required to address the concerns of the Secretary; and

(C) provide the Indian tribe with an opportunity to revise or resubmit the tribal energy resource agreement.

(5) If an Indian tribe executes a lease or business agreement, or grants a right-of-way, in accordance with a tribal energy resource agreement approved under this subsection, the Indian tribe shall, in accordance with the process and requirements under regulations promulgated under subsection (e), provide the Secretary—

(A) a copy of the lease, business agreement, or right-of-way document (including all amendments to and renewals of the document); and

(B) any tribal energy resource agreement or a lease, business agreement, or right-of-way that permits payments to be made directly to the Indian tribe, information and documentation of those payments sufficient to enable the Secretary to discharge the trust responsibility of the United States to enforce the terms of any lease, business agreement, or right-of-way.

(G)(A) In carrying out this section, the Secretary shall—

(i) act in accordance with the trust responsibility of the United States relating to mineral and other trust resources; and

(ii) act in good faith and in the best interests of the Indian tribes.

(B) Subject to the provisions of subsections (A), (C), (D), and (E), the Secretary of Secretarial approval of leases, business agreements, and right-of-way executed pursuant to tribal energy resource agreements approved under this section, and the provisions of subparagraph (D), nothing in this section shall absolve the United States from any responsibility to Indians or Indian tribes, including, but not limited to, those which derive from the trust relationship or from any treaties, statutes, and other laws of the United States, Executive Orders, or agreements between the United States and any Indian tribe.

(C) The Secretary shall continue to fulfill the trust obligation of the United States to ensure that the rights and interests of an Indian tribe are protected—

(i) any other party to a lease, business agreement, or right-of-way violates any applicable Federal law or the terms of any lease, business agreement, or right-of-way under this section; or

(ii) any provision in a lease, business agreement, or right-of-way violates the tribal energy resource agreement pursuant to which the lease, business agreement, or right-of-way was executed.

(D)(i) In this subparagraph, the term ‘negotiated term’ means any term or provision that is negotiated by an Indian tribe and any other party to a lease, business agreement, or right-of-way entered into pursuant to an approved tribal energy resource agreement.

(ii) notwithstanding subparagraph (B), the United States shall not be liable to any party (including any Indian tribe) for any negotiated term of, or any loss resulting from the negotiated terms of, a lease, business agreement, or right-of-way executed pursuant to and in accordance with any energy resource agreement approved by the Secretary under paragraph (2).

(E)(i) A process to determine whether the Indian tribe is not in compliance with the terms of an approved tribal energy resource agreement shall include—

(I) temporarily suspending any activity under a lease, business agreement, or right-of-way under this section until the Indian tribe is in compliance with the approved tribal energy resource agreement; or

(ii) rescinding approval of any part or part of the tribal energy resource agreement, and all of the agreement is rescinded, resolving the requirements for approving leases, business agreements, or right-of-way described in subsection (a) or (b).

(F) Before taking any action described in subparagraph (D)(ii), the Secretary shall provide the Indian tribe with a written notice of the violations together with the written determination and—

(iii) before taking any action described in subparagraph (D)(ii) or seeking any other remedy, provide the Indian tribe with a hearing and a reasonable opportunity to attain compliance with the tribal energy resource agreement.

(G) An Indian tribe described in subparagraph (E) shall retain all rights to appeal under any regulation promulgated by the Secretary.

(H) Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Secretary shall promulgate regulations that implement this subsection, including—

(I) determining the capacity of an Indian tribe under paragraph (2)(B)(i), including the experience of the Indian tribe in managing natural resources and financial and administrative resources available for use by the Indian tribe in implementing the approved tribal energy resource agreement of the Indian tribe;

(J) the process and requirements in accordance with which an Indian tribe may—

(i) voluntarily rescind a tribal energy resource agreement approved by the Secretary under this subsection;

(ii) return to the Secretary the responsibility to approve any future lease, business agreement, or right-of-way under this subsection;

(iii) procedures establishing the scope of, and procedures for, the periodic review and evaluation described in subparagraphs (D) and (E) of paragraph (2), including provisions for review of transactions, reports, site inspections, and any other review activities the Secretary determines to be appropriate; and

(iv) provisions describing final agency actions after exhaustion of administrative appeals from determinations of the Secretary under paragraph (7).

(i) No EFFECT ON OTHER LAW. Nothing in this section affects the application of—

(1) any Federal environmental law;
“(2) the use of energy-efficient technologies and innovations (including the procurement of energy-efficient refrigerators and other appliances); and

(2) the promotion of shared savings contracts; and

(3) the use and implementation of such other similar technologies and innovations as the Secretary of Housing and Urban Development considers to be appropriate.

(b) AMENDMENT.—Section 202(2) of the Native American Housing and Self-Determination Act of 1996 (25 U.S.C. 4132(2)) is amended by inserting “improvement to achieve greater energy efficiency, after planning.”

TITLE VI—NUCLEAR MATTERS

Subtitle A—Price-Anderson Act Amendments

SEC. 601. SHORT TITLE.

This subtitle may be cited as the “Price-Anderson Act Amendments Act of 2005.”

SEC. 602. EXTENSION OF INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NUCLEAR REGULATORY COMMISSION LICENSEE.—Section 170 c. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2219(c)) is amended—

(1) in the subsection heading, by striking “LI- CENSEES” and inserting “LICENSEE’S”; and

(2) by striking “December 31, 2003” each place it appears and inserting “December 31, 2025.”

(b) INDEMNIFICATION OF DEPARTMENT CONTRACTORS.—Section 170 d. (1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2219(a)) is amended by striking “December 31, 2006” and inserting “December 31, 2025.”
Section 607. Inflation Adjustment.

SEC. 607. INFLATION ADJUSTMENT.

(a) Amendments. —Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

'(5)(A) For purposes of this section only, the Commission may make an adjustment to paragraph (2) of subsection d. not less than once during each 5-year period following the date of enactment of this Act.

(b) Effective Date. —The amendments made by this section apply to amounts paid on or after the date of enactment of this Act.

Title VII. Nuclear Regulatory Commission

Section 621. Licensees.

SEC. 621. LICENSES.

Section 103 c. of the Atomic Energy Act of 1954 (42 U.S.C. 1885c, 1885b) is amended by inserting:

'— (B) enter into an agreement under subsection c. to be employed by the Commission for a period of at least one month and not more than 2 years, and

(c) Effect of Section. —The amendments made by this section take effect on the date of enactment of this Act.'
(2) by striking "48la" and inserting "9701"; and
(3) by striking "of, applicants for, or holders of, such licenses or certificates"
SEC. 624. ELIMINATION OF PENSION OFFSET FOR CERTAIN REHINED FEDERAL RETIREES.
(a) In General.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) is amended by adding at the end the following:

"SEC. 170C. ELIMINATION OF PENSION OFFSET FOR CERTAIN REHINED FEDERAL RETIREES.

"a. In General.—The Commission may waive the application of section 8344 or 8466 of title 5, United States Code, in a case-by-case basis for employment of an annuitant—

"(1) in a position of the Commission for which there is exceptional difficulty in recruiting or retaining a qualified employee; or

"(2) when a temporary emergency hiring need exists.

"b. PROCEDURES.—The Commission shall prescribe procedures for the exercise of authority under this section, including—

"(1) criteria for any exercise of authority; and

"(2) procedures for a delegation of authority.

"c. EFFECT OF WAIVER.—An employee as to whom a waiver under this section is in effect shall not be considered an employee for purposes of section 43 or chapter 84, of title 5, United States Code."

(b) CONFORMING AMENDMENT.—The table of sections of the Atomic Energy Act of 1954 (42 U.S.C. 8231 et seq.) is amended by adding at the end of the items relating to chapter 14 the following:

"Sec. 170C. Elimination of pension offset for certain rehired Federal retirees."

SEC. 625. ANTI-TRUST REVIEW.

Section 106 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2135c(c)) is amended by adding at the end the following:

"(b) APPLICATION.—This subsection does not apply to an application for a license to construct or operate a utilization facility or production facility under section 103 or 104 b. that is filed on or after the date of enactment of this paragraph."

SEC. 626. DECOMMISSIONING.

Section 161 I. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(i)) is amended by—

(1) by striking "a. In General." and inserting "a. The Commission"; and

(2) by inserting before the semicolon at the end the following: "b.医疗 isotopes production."

SEC. 627. LIMITATION ON LEGAL FEE REIMBURSEMENT.

Title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.) is amended by adding at the end the following new section:

"Title II. Limitation on Legal Fee Reimbursement.

"Sec. 212. The Department of Energy shall not, except as required under a contract entered into before the date of enactment of this section, reimburse any contractor or subcontractor of the Department for any legal fees or expenses incurred with respect to a complaint subsequent to—

"(1) an adverse determination on the merits with respect to such complaint against the contractor or subcontractor by the Director of the Department or the Office of Hearings and Appeals pursuant to part 708 of title 10, Code of Federal Regulations, or by a Department of Labor Administrative Law Judge pursuant to section 215 of the Labor Management Reporting and Disclosure Act of 1959, 29 U.S.C. 186;

"(2) an adverse final judgment by any State or Federal court with respect to such complaint against the contractor or subcontractor for wrongful termination or retaliation due to the making of disclosures protected under chapter 12 of title 5, United States Code, section 211 of this Act, or any other Federal law; or unless the adverse determination or final judgment is reversed upon further administrative or judicial review.";

SEC. 628. DECOMMISSIONING PILOT PROGRAM.

(a) PILOT PROGRAM.—The Commission shall establish a decommissioning pilot program under which the Commission shall decommission and decontaminate the sodium-cooled fast breeder experimental test reactor located in west central Arkansas, in accordance with the decommissioning activities contained in the report of the Department relating to the reactor, dated August 31, 1990.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the President to carry out this section $15,000,000.

SEC. 629. WHISTLEBLOWER PROTECTION.

(a) DEFINITION OF EMPLOYER.—Section 211(a)(2) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(a)(2)) is amended—

(1) in subparagraph (C), by striking "and" and at the end;

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

(3) by adding at the end the following:

"(E) a contractor or subcontractor of the Commission;"

"(F) the Commission; and"

"(G) any State, local, or other energy."

(b) DE NOVO REVIEW.—Subsection (b) of such section 211 is amended by adding at the end the following new paragraph:

"(4) If the Secretary has not issued a final decision within 1 year after the filing of a complaint under paragraph (1), and there is no showing that such delay is due to the bad faith or default of the person making the complaint, such person may bring an action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy."

SEC. 630. MEDICAL ISOTOPE PRODUCTION.

Section 134 of the Atomic Energy Act of 1954 (42 U.S.C. 22304) is amended—

(1) in subsection a., by striking "a. The Commission" and inserting "a. In General.—Except as provided in subsection b., the Commission";

(2) by redesignating subsection b. as subsection c.; and

(3) by inserting after subsection a. the following:

"b. MEDICAL ISOTOPE PRODUCTION."

"(1) DEFINITIONS.—In this subsection:

"(A) HIGHLY ENRICHED URANIUM.—The term 'highly enriched uranium' means uranium enriched to include concentration of U-235 above 20 percent.

"(B) MEDICAL ISOTOPE.—The term 'medical isotope' includes Methylmercurium 99, Iodine 131, Xenon 133, and other radioactive materials used to produce a radiopharmaceutical for diagnostic, therapeutic procedures or for research and development.

"(C) RADIOPHARMACEUTICAL.—The term 'radiopharmaceutical' means a radioactive isotope that—

"(i) contains byproduct material combined with chemical or biological material; and

"(ii) is designed to accumulate temporarily in a part of the body for therapeutic purposes or for enabling the production of a useful image for use in a diagnosis of a medical condition.

"(D) RECIPIENT COUNTRY.—The term 'recipient country' means Canada, Belgium, France, Germany, or other country.

"(E) LICENSES.—The Commission may issue a license authorizing the export (including shipment to and use at intermediate and ultimate recipients) of highly enriched uranium for medical isotope production if, in addition to any other requirements of this Act (except subsection a.), the Commission determines that—

"(A) a recipient country that supplies an assurance letter to the United States Government in connection with the exportation by the Commission of the export license application has informed the United States Government that any immediate constituent of the highly enriched uranium specified in the application are required to use the highly enriched uranium solely to produce medical isotopes; and

"(B) the highly enriched uranium for medical isotope production will be irradiated only in a reactor in a recipient country that—

"(i) uses an alternative nuclear reactor fuel; or

"(ii) is the subject of an agreement with the United States Government to convert to an alternative nuclear reactor fuel for the production of medical isotopes.

"(2) REVIEW OF PHYSICAL PROTECTION REQUIREMENTS.—

"(A) IN GENERAL.—The Commission shall review the adequacy of physical protection requirements that, as of the date of an application under paragraph (2), are applicable to the transportation and storage of highly enriched uranium for medical isotope production or control of residual material after irradiation and extraction of medical isotopes.

"(B) IMPOSITION OF ADDITIONAL REQUIREMENTS.—If the Commission determines that additional physical protection requirements are necessary including a limit on the availability of highly enriched uranium that may be contained in a single shipment, the Commission shall impose such requirements as license conditions or through other appropriate means.

"(4) FIRST REPORT TO CONGRESS.—

"(A) NAS STUDY.—The Secretary shall enter into an arrangement with the National Academy of Sciences to conduct a study to determine—

"(i) the feasibility of procuring supplies of medical isotopes from commercial sources that do not use highly enriched uranium;

"(ii) the current and projected demand and availability of medical isotopes in regular current domestic use;

"(iii) the progress that is being made by the Department of Energy and others to eliminate all use of highly enriched uranium in reactor fuel, reactor targets, and medical isotope production facilities; and

"(iv) the potential cost differential in medical isotope production in the reactors and target processing facilities if the products were derived from production systems that do not involve fuel processing targets with highly enriched uranium.

"(B) FEASIBILITY.—For the purpose of this subsection, the use of low enriched uranium to produce medical isotopes shall be determined to be feasible if—

"(i) low enriched uranium targets have been developed and demonstrated for use in the reactors and target processing facilities that produce significant quantities of medical isotopes to serve United States needs for such isotopes;

"(ii) sufficient quantities of medical isotopes are available from low enriched uranium targets and fuel to meet United States domestic needs; and

"(iii) the average anticipated total cost increase from production of medical isotopes in such facilities without use of highly enriched uranium is less than 10 percent.

"REPORT BY THE COMMISSION.—Not later than 5 years after the date of enactment of the Energy Policy Act of 2005, the Secretary shall submit to Congress a report containing—

"(i) contains the findings of the National Academy of Sciences made in the study under subparagraph (A); and

"(ii) describes the existence of any commitment from commercial producers to provide domestic requirements for medical isotopes without use of highly enriched uranium consistent with the criteria established in paragraph (B) not later than the date that is 4 years after the date of submission of the report.
SEC. 632. EMPLOYER BENEFITS.

Section 3110(a) of the USEC Privatization Act (42 U.S.C. 2297h-6(a)) is amended by adding at the end the following new paragraph:

“(B) CONTINGENCIES.—To the extent appropriations are provided in advance for this purpose or are otherwise available, not later than 30 days after the date of enactment of this paragraph, the Department shall implement such actions as are necessary to ensure that any employee who—

(A) is involved in providing infrastructure or environmental remediation services at the Portsmouth, Ohio, or the Paducah, Kentucky, Gasous Diffusion Plant;

and (3), no nuclear materials and equipment or sensitive nuclear technology, including items and assistance authorized by section 57(b) of this Act and regulated under part 810 of title 10, Code of Federal Regulations, and nuclear-related items on the Commerce Control List maintained under part 774 of title 15 of the Code of Federal Regulations, shall be exported, reexported, transferred, retransferred, or reexported, whether directly or indirectly, and no Federal agency shall issue any license, approval, or authorization for the export or reexport, or transfer, or retransfer, or any items, or assistance (as defined in this paragraph) to any country whose government has been identified by the Secretary of State as engaged in international terrorism.

SEC. 633. DEMONSTRATION HYDROGEN PRODUCTION AT EXISTING NUCLEAR POWER PLANTS.

(a) DEMONSTRATION PROJECTS.—The Secretary shall provide for the establishment of 2 projects in geographic areas that are regionally and climatically diverse to demonstrate the commercial production of hydrogen at existing nuclear power plants.

(b) ECONOMIC ANALYSIS.—Prior to making an award under subsection (a), the Secretary shall submit to Congress a report that describes options for developing domestic supplies of medical isotopes for nuclear medicine.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for the purposes of carrying out this section not more than $100,000,000.

SEC. 635. PROHIBITION ON ASSUMPTION OF LIABILITY FOR CERTAIN FOREIGN INCIDENTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no officer of the United States or of any department, agency, or instrumentality of the United States Government may enter into any contract or other arrangement, or into any amendment or modification of a contract or other arrangement, the purpose or effect of which would be to directly or indirectly impose liability on the United States Government, or any department, agency, or instrumentality of the United States Government, or to otherwise directly or indirectly require an indemnity by the United States Government, for nuclear incidents occurring in connection with the design, construction, or operation of a production facility, or utilization facility, in any country whose government has been identified by the Secretary of State as engaged in state sponsor of terrorist activities (specifically including any country the government of which would be to directly or indirectly impose liability on the United States Government, or to otherwise directly or indirectly require an indemnity by the United States Government, for nuclear incidents occurring in connection with the design, construction, or operation of a production facility, or utilization facility, in any country whose government has been identified by the Secretary of State as engaged in state sponsor of terrorist activities) and (3), no nuclear materials and equipment or sensitive nuclear technology, including items and assistance authorized by section 57(b) of this Act and regulated under part 810 of title 10, Code of Federal Regulations, and nuclear-related items on the Commerce Control List maintained under part 774 of title 15 of the Code of Federal Regulations, shall be exported, reexported, transferred, retransferred, or reexported, whether directly or indirectly, and no Federal agency shall issue any license, approval, or authorization for the export or reexport, or transfer, or retransfer, or any items, or assistance (as defined in this paragraph) to any country whose government has been identified by the Secretary of State as engaged in international terrorism.

SEC. 632. EMPLOYER BENEFITS.

Section 3110(a) of the USEC Privatization Act (42 U.S.C. 2297h-6(a)) is amended by adding at the end the following new paragraph:

“(B) CONTINGENCIES.—To the extent appropriations are provided in advance for this purpose or are otherwise available, not later than 30 days after the date of enactment of this paragraph, the Department shall implement such actions as are necessary to ensure that any employee who—

(A) is involved in providing infrastructure or environmental remediation services at the Portsmouth, Ohio, or the Paducah, Kentucky, Gasous Diffusion Plant;
SEC. 638. STANDBY SUPPORT FOR CERTAIN NUCLEAR PLANT DELAYS.

(a) DEFINITIONS.—In this section:

(1) ADVANCED NUCLEAR FACILITY.—The term "advanced nuclear facility" means any nuclear facility the reactor design for which is approved after December 31, 1993, by the Commission (and such commission is not comparable capacity was not approved on or before that date).

(2) COMBINED LICENSE.—The term "combined license" means a combined construction and operating license for an advanced nuclear facility issued by the Commission.

(3) COMMISSION.—The term "Commission" means the Nuclear Regulatory Commission.

(4) SPONSOR.—The term "sponsor" means a person who has applied for or been granted a license and on which construction is commenced, the Secretary shall pay

(A) 100 percent of the covered costs of delay; but

(B) not more than $900,000,000 per contract.

(2) REQUIREMENT FOR CONTRACTS.

(A) IN GENERAL.—The obligation of the Secretary to pay the covered costs described in paragraph (B) of this subsection (2) is subject to the Secretary receiving from or appropriations or payments from non-Federal sources amounts sufficient to pay the covered costs.

(B) NON-FEDERAL SOURCES.—The Secretary may receive and accept payments from any non-Federal entity, and on which construction is commenced, to the Secretary from or on behalf of the Project shall be cost-shared by the applicable Federal Laboratory.

(C) REQUIREMENTS.—The Project shall be managed in the Department by the Office of Nuclear Energy, Science, and Technology. The Project shall be managed in the Department for review of construction projects for advanced scientific facilities within the Office of Science to track the progress of the Project.

(2) INDUSTRIAL PARTNERSHIPS.

(a) DEPARTMENTAL MANAGEMENT.

(i) IN GENERAL.—The Project shall be managed by the Department for review of construction projects for advanced scientific facilities within the Office of Science to track the progress of the Project.

(ii) GOVERNMENTAL MANAGEMENT.

The Nuclear Regulatory Commission may enter into a contract, agreement, or arrangement with the Department of Energy and the operator of a Department of Energy facility for the purposes of the Nuclear Regulatory Commission determines that—

(A) the conflict of interest cannot be mitigated; and

(B) an adequate justification exists to proceed without mitigation of the conflict of interest.

Subtitle C—Next Generation Nuclear Plant Project

SEC. 641. PROJECT ESTABLISHMENT.

(a) ESTABLISHMENT.—The Secretary shall establish a project to be known as the "Next Generation Nuclear Plant Project" (referred to in this subtitle as the "Project").

(b) CONTEXT.—The Project shall consist of the research, development, design, construction, and operation of a prototype plant, including a nuclear reactor that—

(1) is based on research and development activities supported by the Generation IV Nuclear Energy Systems Initiative under section 942(d); and

(2) shall be used—

(A) to generate electricity; or

(B) to produce hydrogen; or

(C) to generate electricity and to produce hydrogen.

SEC. 642. PROJECT MANAGEMENT.

(a) DEPARTMENTAL MANAGEMENT.

(i) IN GENERAL.—The Secretary shall establish a project to be known as the "Next Generation Nuclear Plant Project" (referred to in this subtitle as the "Project").

(ii) GOVERNMENTAL MANAGEMENT.

The Secretary shall pay full power operation of the advanced nuclear facility is delayed by—

(A) the failure of the Commission to comply with its obligations under section 149 of the Atomic Energy Act of 1954 (42 U.S.C. 2169) and the costs of conducting security inspections; or

(B) litigation that delays the commencement of full-power operations of the advanced nuclear facility.

(2) EXCLUSIONS.—The Secretary may not enter into any contract under this section that would obligate the Secretary to pay any costs resulting from—

(A) the failure of the sponsor to take any action required by law or regulation; or

(B) events within the control of the sponsor; or

(C) normal business risks.

(a) COVERED COSTS.—Subject to paragraphs (2), (3), and (4), the costs that shall be paid by the Secretary pursuant to a contract entered into under this section are the costs that result from a delay during construction and full-power operation, including—

(A) principal or interest on any debt obligation of an advanced nuclear facility owned by a non-Federal entity; and

(B) the incremental difference between—

(i) the fair market price of power purchased to meet the contractual supply agreements that would have been met by the advanced nuclear facility but for the delay; and

(ii) the contractual price of power from the advanced nuclear facility subject to the delay.

(c) COVERED DELAYS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary shall issue such regulations as are necessary to carry out this section.

(2) INTERIM FINAL RULEMAKING.—Not later than 270 days after the date of enactment of this Act, the Secretary shall issue for public comment an interim final rule regulating contracts authorized by this section.

(b) NOTIFICATION.—The Secretary shall issue a notice of final rulemaking regulating the contracts.

(c) AUTHORIZATION AND APPROPRIATIONS.—The costs authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 639. CONFLICTS OF INTEREST RELATING TO CONTRACTS AND OTHER ARRANGE-
(A) IN GENERAL.—The Secretary shall seek international cooperation, participation, and financial contributions for the Project.

(B) ASSISTANCE FROM INTERNATIONAL PARTNERS.—In general, the Secretary of Energy may contract for assistance from specialists or facilities from member countries of the Generation IV International Forum, the International Atomic Energy Agency, or other international partners if the specialists or facilities provide access to cost-effective and relevant skills or test capabilities.

(C) PARTNER NATIONS.—The Project may involve demonstration of selected project objectives in a partner country.

(D) GENERATION IV INTERNATIONAL FORUM.—The Secretary shall coordinate the instrumentation and qualification activities of the Project with the Generation IV International Forum.

(E) REVIEW BY NUCLEAR ENERGY RESEARCH ADVISORY COMMITTEE.—

(A) IN GENERAL.—The Nuclear Energy Research Advisory Committee of the Department (referred to in this paragraph as the “NERAC”) shall—

(i) review all program plans for the Project and all progress under the Project on an ongoing basis; and

(ii) ensure that important scientific, technical, safety, and program management issues receive attention in the Project and by the Secretary.

(B) ADDITIONAL EXPERTISE.—The Secretary shall use, if appropriate, reactor test capabilities and facilities from other National Laboratories.

(2) DESIGN AND QUALIFICATION.

(A) CARRY OUT DESIGN AND QUALIFICATION ACTIVITIES.—The Secretary shall carry out design and qualification activities for the prototype nuclear reactor and plant.

(B) ACQUIRE AND USE ANALYTICAL TOOLS.—The Secretary shall acquire and use analytical tools that the NERAC determines are necessary for achieving the goals of the Project.

(C) PROTOTYPE PLANT SITING.—The Project shall be conducted in the following phases:

(I) FIRST PROJECT PHASE.—A first project phase shall be conducted to—

(A) select and validate the appropriate technology under subsection (a)(1); and

(B) carry out enabling research, development, and demonstration activities on technologies and components under paragraphs (2) through (4) of subsection (a);

(C) determine whether it is appropriate to construct a reactor test facility for high-temperature hydrogen production in a single prototype nuclear reactor and plant; and

(D) carry out initial design activities for a prototype nuclear reactor and plant, including development of design methods and safety analytical methods and studies under subsection (a)(5).

(ii) shall include the initial design and capability requirements for the prototype nuclear reactor and plant; and

(B) apply for licenses to construct and operate the prototype reactor for inspection and maintenance; and

(C) TARGET DATE TO COMPLETE PROJECT CONSTRUCTION.—Not later than the date of enactment of this Act, the Secretary shall carry out the activities contained in paragraphs (1) and (2) of subsection (a) no later than 180 days after the date of enactment of this Act, the NERAC shall—

(A) carry out design competitions for the Project in light of the recommendations of the document entitled “Design Features and Technical Requirements for Next-Generation Nuclear Plant,” dated June 30, 2004; and

(B) address any questions of the document not incorporated in program plans for the Project.

(D) FIRST PROJECT PHASE REVIEW.—On the determination by the Secretary that the appropriate activities under the first project phase under subsection (b)(1) are nearly complete, the Secretary shall request the NERAC to conduct a competitive evaluation and selection of a single project phase to use the lead industrial partner of the project.

(E) TRANSMITTAL OF REPORTS TO CONGRESS.—Not later than 60 days after receiving any report from the NERAC related to the Project, the Secretary shall transmit to the appropriate committees of the Senate and the House of Representatives a copy of the report, along with any additional views of the Secretary that the Secretary may consider appropriate.

SEC. 644. NUCLEAR REGULATORY COMMISSION.

(A) IN GENERAL.—In accordance with section 202 of the Energy Reorganization Act of 1974 (42 U.S.C. 5842), the Nuclear Regulatory Commission shall have licensing and regulatory authority for any reactor authorized under this subtitle.

(B) LICENSING STRATEGY.—Not later than 3 years after the date of enactment of this Act, the Secretary and the Chairman of the Nuclear Regulatory Commission shall jointly submit to the appropriate committees of the Senate and the House of Representatives a licensing strategy for the prototype nuclear reactor, including—

(i) a description of ways in which current licensing requirements relating to light-water reactors need to be adapted for the types of prototype nuclear reactor being considered by the Project;

(ii) a description of analytical tools that the Nuclear Regulatory Commission will have to develop to independently verify designs and performance characteristics of components, equipment, systems, or structures associated with the prototype nuclear reactor;

(iii) a description of research and development activities that may be required on the part of the Nuclear Regulatory Commission in order to review a license application for the prototype nuclear reactor; and

(iv) an estimate of the budgetary requirements associated with the licensing strategy.

(C) ONGOING INTERACTION.—The Secretary shall seek the active participation of the Nuclear Regulatory Commission throughout the duration of the Project to—

(1) avoid design decisions that will complicate the design or licensing of the reactor or impair the accessibility of nuclear safety-related components of the prototype nuclear reactor for inspection and maintenance;

(2) develop tools to facilitate inspection and maintenance needed for safety purposes; and

(3) develop risk-based criteria for any future commercial development of a similar reactor architecture.

SEC. 645. PROJECT TIMELINES AND AUTHORIZATION OF APPROPRIATIONS.

(A) TARGET DATE TO COMPLETE THE FIRST PROJECT PHASE.—No later than September 30, 2011, the Secretary shall—

(1) select the technology to be used by the Project for high-temperature hydrogen production and the initial design parameters for the prototype nuclear plant; or

(2) submit to Congress a report establishing an alternative date for making the selection.

(B) DESIGN COMPETITION FOR SECOND PROJECT PHASE.—

(1) IN GENERAL.—The Secretary shall carry out design competitions for the second project phase to use the lead industrial partner of the competitively selected design under paragraph (1) in a systems integration role for final design and construction of the Project.

(2) SYSTEMS INTEGRATION.—The Secretary shall carry out Project activities in the second project phase to use the lead industrial partner of the competitively selected design under paragraph (1) in a systems integration role for final design and construction of the Project.

(C) TARGET DATE TO COMPLETE PROJECT CONSTRUCTION.—Not later than September 30, 2021, the Secretary shall—

(1) complete construction and begin operations of the prototype nuclear reactor and associated energy or hydrogen facilities; or

(2) submit to Congress a report establishing an alternative date for completing Project construction.

(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary for research and construction activities under this subtitle (including for transfer to the Nuclear Regulatory Commission for activities under section 644 as appropriate)—

(1) $1,250,000,000 for the period of fiscal years 2006 through 2015; and

(2) such sums as are necessary for each of fiscal years 2016 through 2021

Subtitle D—Nuclear Security

SEC. 651. NUCLEAR FACILITY AND MATERIALS SECURITY.

(A) SECURITY EVALUATIONS; DESIGN BASIS THREAT RULEMAKING.—

(1) IN GENERAL.—Chapter 14 of the Atomic Energy Act of 1946 (42 U.S.C. 2251 et seq.) (as amended by section 624(a)) is amended by adding at the end the following:

“SEC. 170D. SECURITY EVALUATIONS.

“a. SECURITY RESPONSE EVALUATIONS.—Not less than once every five years, the Commission shall conduct security evaluations at each licensed facility that is part of a class of licensed facilities, as the Commission considers to be appropriate, to assess the appropriate security force of a licensed facility to defend against any applicable design basis threat.
The force-on-force exercises shall, to the maximum extent practicable, simulate security threats in accordance with any design basis threat applicable to a facility.

In conducting a security evaluation, the Commission shall consider the potential for or any other field that the Commission determines to be appropriate.

The Commission shall ensure that an affected licensee corrects those material defects in performance that adversely affect the ability of a private security force at that facility to defend against any applicable design basis threat.

Facilities Under Heightened Threat Levels.—The Commission may suspend a security evaluation under this section if the Commission determines that the evaluation would compromise security at a nuclear facility under a heightened threat level.

The Commission shall initiate a rulemaking to revise the design basis threats; or

(ii) monitoring such classes of facilities as the Commission determines to be appropriate to ensure that they maintain security consistent with the security provided in accordance with the appropriate threat level; and

(iii) assisting in the coordination of security measures among the private security forces at such classes of facilities as the Commission determines to be appropriate and Federal, State, and local authorities, as appropriate.

(b) Backup Power for Certain Emergency Notification Systems.—For any licensed nuclear power plants located where there is a permanent population, as determined by the 2000 decennial census, in excess of 15,000,000 within a 50-mile radius of the power plant, not later than 18 months after enactment of this Act, the Commission shall require that backup power be available for the emergency notification system of the zone of the plant, including the emergency siren warning system, if the alternating current supply within the 10-mile emergency planning zone of the facility is lost.

(b) Measures.—In general.—The Commission shall require that backup power to the emergency planning zone of the facility is lost.

(a) Report.—Not less than once each year, the Commission shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a report, in classified form and unclassified form, that describes the results of each security response evaluation conducted and any relevant corrective action taken by a licensee during the previous year.

SEC. 170E. DESIGN BASIS THREAT RULEMAKING.

(a) Rulemaking.—The Commission shall—

(1) not later than 180 days after the date of enactment of this section, initiate a rulemaking proceeding, including notice and opportunity for public comment, to be completed not later than 18 months after that date, to revise the design basis threats of the Commission; or

(2) not later than 18 months after the date of enactment of this section, complete any ongoing rulemaking to revise the design basis threat.

(b) Factors.—When conducting its rulemaking, the Commission shall consider the following, but not be limited to:

(1) the terrorist attacks of September 11, 2001;
(2) an assessment of physical, cyber, biocultural, and other terrorist threats;
(3) the potential for attack on facilities by multiple coordinated teams of a large number of individuals;
(4) the potential for assistance in an attack from members of a single coordinated team;
(5) the potential for suicide attacks;
(6) the potential for water-based and air-based threats;
(7) the potential use of explosives devices of considerable size and other weapons;
(8) the potential for attacks by persons with a sophistically developed knowledge of facility operations;
(9) the potential for fires, especially fires of long duration;
(10) the potential for attacks on spent fuel shipments by multiple coordinated teams of a large number of individuals;
(11) the adequacy of planning to protect the public health and safety at and around nuclear facilities, as appropriate, in the event of a terrorist attack on a nuclear facility; and
(12) the potential for theft and diversion of nuclear materials from such facilities.

(c) Additional Provisions.—

(1) Provision of Support to University Nuclear Safety, Security, and Environmental Protection Programs.—Section 31(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2063(b)) is amended—

(A) by striking “b. The Commission is further authorized to make” and inserting the following:

“b. Grants and Contributions.—The Commission is authorized—

(1) to make—

(B) in paragraph (1) (as designated by subparagraph (A)) by striking the period at the end and inserting “; and”;
(c) by adding at the end the following:

(2) to provide grants, loans, cooperative agreements, contracts, and equipment to institutions of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) to support courses, studies, training, curricula, and disciplines pertaining to nuclear safety, security, or environmental protection, or any other field that the Commission determines to be critical to the regulatory mission of the Commission.”;

(2) Recruitment Tools.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by subsection (a)(1)) is amended by adding at the end the following:

“SEC. 170F. RECRUITMENT TOOLS.

The Commission may purchase promotional items of nominal value for use in the recruitment of individuals for employment.”;

(3) Expenses Authorized to be Paid by the Commission.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by paragraph (2)) is amended by adding at the end the following:

“SEC. 170G. EXPENSES AUTHORIZED TO BE PAID BY THE COMMISSION.

The Commission may—

(1) pay transportation, lodging, and subsistence expenses of employees who—

(A) assist sanctioned professional, administrative, or technical employees of the Commission; and

(B) are students in good standing at an institution of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) pursuing courses related to the field in which the students are employed by the Commission; and

(2) pay the costs of health and medical services furnished, pursuant to an agreement between the Commission and the Department of State, to employees of the Commission and dependents of the employees serving in foreign countries.”;

SEC. 244. PARTNERSHIP PROGRAM WITH INSTITUTIONS OF HIGHER EDUCATION.

(a) Definitions.—In this section—

(1) Hispanic-serving institution.—The term ‘Hispanic-serving institution’ has the meaning given the term ‘part B institution’ in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1010a).”;

(b) Historically Black College and University.—The term ‘historically Black college or university’ has the meaning given the term ‘tribal college’ in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)).”;

(c) Tribal College.—The term ‘tribal college’ has the meaning given the term ‘tribally controlled college or university’ in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)).”;

(d) Radiation Source Protection.—

(1) Amendment.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201 et seq.) (as amended by subsection (a)(1)) is amended by adding at the end the following:

“SEC. 170H. RADIATION SOURCE PROTECTION.

(a) Definitions.—In this section—


(b) Commission Approval.—Not later than 18 months after the date of enactment of this section, the Commission shall issue regulations prohibiting a person from—

(1) exporting a radiation source, unless the Commission has specified in the license to do so under section 57 or 82, consistent with the Code of Conduct, with respect to the exportation, that—
“(A) the recipient of the radiation source may receive and possess the radiation source under the laws and regulations of the country of the recipient;”

“(B) the recipient country has the appropriate technical and administrative capability, resources, and regulatory structure to ensure that the radiation source will be managed in a safe and secure manner; and

“(C) before the date on which the radiation source is shipped—

(i) a notification has been provided to the recipient country; and

(ii) a notification has been received from the recipient country; as the Commission determines to be appropriate;”

“(2) importing a radiation source, unless the Commission has determined, with respect to the importation, that—

(A) the proposed recipient is authorized under law to receive the radiation source; and

(B) the shipment will be made in accordance with any applicable Federal or State law or regulation; and

“(3) selling or otherwise transferring ownership of a radiation source, unless the Commission—

(1) has determined that the licensee has verified that the proposed recipient is authorized under law to receive the radiation source; and

(2) has required that the transfer shall be made in accordance with any applicable Federal or State law or regulation.

“(c)(1)(A) Not later than 1 year after the date of enactment of this section, the Commission shall issue regulations establishing a mandatory tracking system for radiation sources in the United States.

“(B) In establishing the tracking system under subparagraph (A), the Commission shall coordinate with the Secretary of Transportation to ensure that the system is to be integrated, to the maximum extent practicable, between the tracking system and any system established by the Secretary of Transportation to track the shipment of radiation sources.

“(2) The tracking system under paragraph (1) shall—

(A) enable the identification of each radiation source by serial number or other unique identifier;

(B) require reporting within 7 days of any change of possession of a radiation source;

(C) ensure that reporting within 24 hours any loss of control of, or accountability for, a radiation source; and

(D) provide for reporting under subparagraph (B) and (C) through a secure Internet connection.

“d. PENALTY.—A violation of a regulation issued under subsection a. or b. shall be punishable by a civil penalty not to exceed $1,000,000.

“e. NATIONAL ACADEMY OF SCIENCES STUDY.—

(1) Not later than 60 days after the date of enactment of this section, the Commission shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of industrial, research, and commercial uses for radiation sources.

“(2) The study under paragraph (1) shall include a review of uses of radiation sources in existence on the date on which the study is conducted, including an identification of any industrial or other process that—

(A) uses a radiation source that could be replaced with an economically and technically equivalent (or improved) process that does not require the use of a radiation source; or

(B) may be used with a radiation source that would reduce the risk to public health and safety in the event of an accident or attack involving the radiation source.

“(3) Not later than 2 years after the date of enactment of this section, the Commission shall submit to Congress the results of the study under paragraph (1),

“f. TASK FORCE ON RADIATION SOURCE PROTECTION AND SECURITY.—

(1) There is established a task force on radiation source protection and security (referred to in this section as the ‘‘task force’’).

“(2)(A) The chairperson of the task force shall be the Chairperson of the Commission (or a designee).

“(B) The membership of the task force shall consist of the following:

(i) the Secretary of Homeland Security (or a designee);

(ii) the Secretary of Defense (or a designee);

(iii) the Secretary of Energy (or a designee);

(iv) the Secretary of Transportation (or a designee);

(v) the Attorney General (or a designee);

(vi) the Secretary of State (or a designee);

(vii) the Director of National Intelligence (or a designee);

(viii) the Director of the Central Intelligence Agency (or a designee);

(ix) the Director of the Federal Emergency Management Agency (or a designee).

“(3) (A) The task force, in consultation with Federal, State, and local agencies, the Conference of Radiation Control Program Directors, and the Organization of Agreement States, and after public notice and an opportunity for public comment, shall make recommendations relating to, the security of radiation sources in the United States from terrorist threats, including acts of sabotage, theft, or use of a radiation source in a radiological dispersal device.

“(B) Not later than 1 year after the date of enactment of this section, and not less than once every 4 years thereafter, the task force shall submit to Congress and the President a report, in unclassified form with a classified annex if necessary, providing recommendations, including recommendations for appropriate regulatory and legislative changes, for—

(i) a list of additional radiation sources that should be required to be secured under this Act, based on the potential attractiveness of the sources to terrorists and the extent of the threat to public health and safety of the sources, taking into consideration—

(1) radiation source radioactive activity levels;

(2) radioactive half-life of a radiation source;

(3) dispersability;

(4) chemical and material form;

(5) for radioactive materials with a medical use, the availability of the sources to physicians and patients for whom they are intended;

(6) other factors that the Chairperson of the Commission determines to be appropriate; and

(7) the establishment of, or modifications to, a national system for recovery of lost or stolen radiation sources;

(ii) the storage of radiation sources that are not used in a manner that may present a lower risk to public health and safety in the event of an accident or attack involving the radiation source; and

(iii) the establishment of appropriate regulations and procedures for improving the security of use, transportation, and storage of radiation sources, including—

(B) periodic audits or inspections by the Commission to ensure that radiation sources are properly secured and can be fully accounted for;

(C) evaluation of the security measures by the Commission; and

(D) any material that—

(i) is produced, extracted, or converted after enactment of this paragraph for use for a commercial, medical, or research activity; or

(ii) is produced, converted, or extracted after enactment, before, on, or after the date of enactment of this paragraph for use for a commercial, medical, or research activity; and

(iii) any discrete source of naturally occurring radioactive material, other than source material—

(A) the Commission, in consultation with the Administrator of the Environmental Protection Agency, determines to be particularly at risk for sabotage of radiation sources to ensure that the shipments do not contain exploitable material;”

“9. ACTION BY COMMISSION.—Not later than 60 days after the date of receipt by Congress and the President of a report under subsection f.(3)(B), the Commission shall submit to Congress and the President of the United States the following:

“(1) take any action the Commission determines to be appropriate, including revising the system of the Commission for licensing radiation sources; and

“(2) ensure that States that have entered into agreements with the Commission under section 274 b. take similar action in a timely manner.”.

(2) CONFORMING AMENDMENT.—The table of sections of the Atomic Energy Act of 1954 (42 U.S.C. 2014) is amended—

(A) by striking “means (I) any radioactive” and inserting the following: “means—

(1) any radioactive;”

(B) by striking “material” and (2) the tailings” and inserting the following “material;”

(C) by striking “content;” and inserting the following: “content;”

“(D) any discrete source of radium-226 that is produced, extracted, or converted after extraction, before, on, or after the date of enactment of this paragraph for use for a commercial, medical, or research activity or

(B) any material that—

(1) is been used radioactive by use of a particle accelerator; and

(ii) is produced, extracted, or converted after extraction, before, on, or after the date of enactment of this paragraph for use for a commercial, medical, or research activity; and

(4) any discrete source of naturally occurring radioactive material, other than source material—

(A) the Commission, in consultation with the Administrator of the Environmental Protection Agency, determines to be particularly at risk for sabotage of radiation sources to ensure that the shipments do not contain exploitable material.”
Agency, the Secretary of Energy, the Secretary of Homeland Security, and the head of any other appropriate Federal agency, determines would pose a threat similar to the threat posed by a disease that has been reported to the public health and safety or the common defense and security; and

(B) before, on, or after the date of enactment of this Act, the Commission, after consultation with States and other appropriate Federal agencies, issue final regulations establishing such requirements as the Commission determines to be necessary to carry out this section and the amendments made by this section.

(ii) INCLUSIONS.—The regulations shall include a definition of the term ‘discrete source’ as that term is defined in section 11 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(e)) (as amended by paragraph (1)).

(B) Cooperating with States.—The Commission shall, to the maximum extent practicable—

(i) cooperate with States; and

(ii) use model standards in existence on the date of enactment of this Act.

(C) TRANSITION PLAN.—

(I) DEFINITION OF BYPRODUCT MATERIAL.—In this paragraph, the term ‘byproduct material’ has the meaning given the term in paragraphs (3) and (4) of section 11 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)) (as amended by paragraph (1)).

(ii) PREPARATION AND PUBLICATION.—To facilitate an orderly transition of regulatory authority with respect to byproduct material, the Commission, in issuing regulations under subparagraph (A), shall prepare and publish a transition plan for—

(I) States that have not, before the date on which the plan is published, entered into an agreement with the Commission under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)) (as amended by paragraph (1)).

(ii) a waiver to any entity of any requirement under byproduct material; and

(ii) a statement of the Commission that any agreement covering byproduct material, as defined in paragraph (3) or (4) of section 11 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)) before the date of publication of the transition plan shall be considered to include byproduct material, as defined in paragraph (3) or (4) of section 11 e. of that Act (42 U.S.C. 2014(e)) (as amended by paragraph (1)).

If the Governor of the State certifies to the Commission on the date of publication of the transition plan that—

(aa) the State has a program for licensing byproduct material, as described in paragraph (3) or (4) of section 11 e. of the Atomic Energy Act of 1954, that is adequate to protect the public health and safety, as determined by the Commission; and

(bb) the State intends to continue to implement the regulatory responsibility of the State with respect to the byproduct material.

(II) the State has entered into an agreement with the Commission under section 274 b. of that Act (42 U.S.C. 2014(e)) before the date of publication of the transition plan shall be considered to include byproduct material, as defined in paragraph (3) or (4) of section 11 e. of that Act (42 U.S.C. 2021(b)) (as amended by paragraph (1)).

If the Governor of the State certifies to the Commission on the date of publication of the transition plan that—

(aa) the State has a program for licensing byproduct material, as defined in paragraph (3) or (4) of section 11 e. of the Atomic Energy Act of 1954, that is adequate to protect the public health and safety, as determined by the Commission; and

(bb) the State intends to continue to implement the regulatory responsibility of the State with respect to the byproduct material.

(A) REGULATIONS.

(i) D EFINITION OF LOW-LEVEL RADIOACTIVE WASTE.—Byproduct material, as defined in paragraphs (3) and (4) of section 11 e. of that Act (42 U.S.C. 2021(b)) before the date of publication of this Act, are not low-level radioactive waste. The term ‘low-level radioactive waste’ means radioactive waste—

(I) that is not byproduct material; and

(ii) that is not designated by subparagraph (A) as low-level radioactive waste.

(B) DEFINITION OF LOW-LEVEL RADIOACTIVE WASTE.—Section 2(9) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b) is amended—

(i) by striking subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and inserting the clauses appropriately;

(ii) by redesignating clause (i) as redesignated by subparagraph (A) by striking “The term” and inserting the following: “(A) IN GENERAL.—The term; and

(iii) by adding at the end following:

(B) EXCLUSION.—The term ‘low-level radioactive waste’ does not include byproduct material (as defined in the Commission regulations) or converted or converted after extraction for use in a commercial, medical, or research activity.”.
“(A) the Attorney General may provide any result of an identification or records check under paragraph (2) to the Commission; and
“(B) the Commission, in accordance with regulations issued under this section, may provide the results to the individual or entity required to conduct the fingerprinting under paragraph (1)(A).

(2) by inserting—
“(A) by striking ‘‘, subject to public notice and comment, regulations—’’ and inserting ‘‘requirements—’’;
“(B) in paragraph (2)(B), by striking ‘‘unsecured access to the facility of a licensee or applicant’’ and inserting ‘‘unsecured access to a sub- contractor of such a licensee or contractor, radioactive material, or other property described in subsection a.(1)(B)’’;
“(3) by redesignating subsection d. as subsection e.; and
“(4) by inserting after subsection c. the following:

‘‘d. The Commission may require a person or individual to conduct fingerprinting under subsection a.(1) by authorizing or requiring the use of any alternative biometric method for identification that has been approved by—
“(1) the Attorney General; and
“(2) the Commission, by regulation.’’.

SEC. 653. USE OF FIREARMS BY SECURITY PERSONNEL.

The Atomic Energy Act of 1954 is amended by inserting after section 161 (42 U.S.C. 2201) the following:

‘‘SEC. 161A. USE OF FIREARMS BY SECURITY PERSONNEL.

‘‘a. DEFINITIONS.—In this section, the terms ‘‘handgun’’, ‘‘rifle’’, ‘‘shotgun’’, ‘‘firearm’’, ‘‘ammunition’’, ‘‘machinegun’’, ‘‘short-barreled shotgun’’, and ‘‘short-barreled rifle’’ have the meanings given the terms in section 921(a) of title 18, United States Code.

‘‘b. AUTHORIZATION.—Notwithstanding subsection a., b., or c. of section 922 of title 18, United States Code, section 5844 of the Internal Revenue Code of 1986, and any law (including regulations) of a State or a political subdivision of a State that prohibits the transfer, receipt, possession, transportation, importation, or use of a handgun, a rifle, a shotgun, a short-barreled shotgun, a short-barreled rifle, a machinegun, a semiautomatic assault weapon, ammunition for any such gun or weapon, or a large capacity ammunition feeding device, or carrying out the duties of the Commission, the Commission may authorize the security personnel of any licensee or certificate holder of the Commission (including an employee of a contractor of such a licensee or certificate holder) to transfer, receive, possess, transport, import, and use or to manufacture any such guns, weapons, ammunition, or devices, if the Commission determines that—
“(1) the authorization is necessary to the discharge of the official duties of the security personnel; and
“(2) the security personnel—
“(A) are not otherwise prohibited from possessing or receiving a firearm under Federal or State laws relating to possession of firearms by a certain class of persons; and
“(B) have successfully completed any requirement under this section for training in the use of firearms and tactical maneuvers; or
“(C) are engaged in the protection of—
“(i) a facility owned or operated by a licensee or certificate holder of the Commission that is designated by the Commission;
“(ii) radioactive material or other property owned or possessed by a licensee or certificate holder of the Commission, or that is being transported by the holder of a license or certificate issued by the Commission for the transfer of such material or other property; or
“(D) discharging the official duties of the security personnel in transferring, receiving, possessing, transporting, or importing the weapons, ammunition, or devices.

‘‘c. BACKGROUND CHECKS.—A person that receives, possesses, transports, imports, or uses a weapon, ammunition, or other property under subsection b. shall be subject to a background check by the Attorney General, based on fingerprints and including a background check under section 10302 of title 10, United States Code, and the Violence Against Women Prevention Act (Public Law 103–158; 18 U.S.C. 922 note) to determine whether the person is prohibited from possessing or receiving a firearm under Federal or State law.

‘‘d. EFFECTIVE DATE.—This section takes effect on the date on which guidelines are issued by the Commission, with the approval of the Attorney General, for a security background check specified in subsection b., when transferred or received in the United States by any party pursuant to an import or export license issued pursuant to this Act, are required to be submitted by a contractor of a primary facility or backup facility (as defined in section 106 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(16))).

‘‘(2) by adjusting the indentations of subsections a., b., and c. so as to reflect proper subsection indentations and

‘‘(3) by inserting after subsection c. the following:

‘‘SEC. 654. UNAUTHORIZED INTRODUCTION OF DANGEROUS WEAPONS.

Section 229 of the Atomic Energy Act of 1954 (42 U.S.C. 2278a) is amended—

(1) by striking ‘‘SEC. 229. TRESPASS UPON COMMISSION INSTALLATIONS.’’ and inserting the following:

‘‘SEC. 229. TRESPASS ON COMMISSION INSTALLATIONS.’’

(2) by adjusting the indentations of subsections a., b., and c. so as to reflect proper subsection indentations and

(3) in subsection a.—

(A) in the first sentence, by striking ‘‘a. The’’ and inserting the following:

‘‘a.(1) The’’;

(B) in the second sentence, by striking ‘‘Every’’ and inserting the following:

‘‘(B) every’’; and

(C) in paragraph (1) (as designated by subparagraph (A)—

(i) by striking ‘‘or in the custody’’ and inserting ‘‘in the custody’’; and

(ii) by inserting ‘‘, or subject to the licensing authority of the Commission or certification by the Commission under this Act or any other Act’’ before the period.

‘‘SEC. 655. SAFETY OF NUCLEAR FACILITIES, FUEL, OR DESIGNATED MATERIAL.

(a) IN GENERAL.—Section 236a. of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)) is amended—

(1) in paragraph (2), by striking ‘‘storage facility’’ and inserting ‘‘treatment, storage, or disposal facility’’;

(2) in paragraph (3)—

(A) by striking ‘‘such a utilization facility’’ and inserting ‘‘a utilization facility licensed under this Act’’; and

(B) by striking ‘‘at the end’’;

(3) in paragraph (4)—

(A) by striking ‘‘facility licensed and insert- ing ‘‘, uranium conversion, or nuclear fuel fabrication facility licensed and certified’’; and

(B) by striking the comma at the end and inserting a semicolon; and

(4) by inserting after paragraph (4) the following:

‘‘(5) any production, utilization, waste storage, waste treatment, waste disposal, uranium enrichment, uranium conversion, or nuclear fuel fabrication facility licensed or certified under this Act during construction of the facility, if the destruction or damage caused or attempted to be caused could adversely affect public health and safety during the operation of the facility;’’;

‘‘(6) any primary facility or backup facility from which a radiological emergency preparedness alert and warning system is activated; or

‘‘(7) any radioactive material or other property subject to regulation by the Commission that, before the date of the offense, the Commission, in accordance with regulations published in the Federal Register, is of significance to the public health and safety or to common defense and security.’’;

(b) CONFORMING AMENDMENT.—Section 226 of the Atomic Energy Act of 1954 (42 U.S.C. 2276) is amended by striking ‘‘intentionally and willfully’’ each place it appears and inserting ‘‘knowingly’’.

SEC. 656. TRANSFER OF NUCLEAR MATERIALS.

(a) AMENDMENT.—Chapter 14 of the Atomic Energy Act of 1954 (42 U.S.C. 2201–2210h) as amended by section 651(d)(1)(I) is amended by adding at the end the following new section:

‘‘SEC. 170I. SECURE TRANSFER OF NUCLEAR MATERIALS.

‘‘a. The Commission shall establish a system to determine that materials transferred or received in the United States by any party pursuant to an import or export license issued pursuant to this Act, are subject to security background checks conducted by appropriate Federal entities.

‘‘b. Except as otherwise provided by the Commission by regulation, the materials referred to in subsection a. are byproduct materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranic waste, and low-level radioactive waste (as defined in section 101 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10111)).

‘‘(2) by adjusting the indentations of subsections a., b., and c. so as to reflect proper subsection indentations and

(3) in subsection a.—

(A) in the first sentence, by striking ‘‘a. The’’ and inserting the following:

‘‘a.(1) The’’;

(B) in the second sentence, by striking ‘‘Every’’ and inserting the following:

‘‘(B) every’’; and

(C) in paragraph (1) (as designated by subparagraph (A)—

(i) by striking ‘‘or in the custody’’ and inserting ‘‘in the custody’’; and

(ii) by inserting ‘‘, or subject to the licensing authority of the Commission or certification by the Commission under this Act or any other Act’’ before the period.

‘‘SEC. 657. DEPARTMENT OF HOMELAND SECURITY CONGRESSIONAL REVIEW.

Before issuing a license for a utilization facility, the Nuclear Regulatory Commission shall consult with the Department of Homeland Security concerning the potential vulnerabilities of the location of the proposed facility to terrorist attack.

TITLE VII—VEHICLES AND FUELS

Subtitle A—Existing Programs

SEC. 701. USE OF ALTERNATIVE FUELS BY DUAL-FUELED VEHICLES.

Section 400A(a)(3)(E) of the Energy Policy and Conservation Act (42 U.S.C. 6314(a)(3)(E)) is amended to read as follows:

‘‘(E)(1) Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels unless the Secretary determines that alternative fuels do not qualify as alternative fuel required for vehicles operated by the agency in a particular geographic area in which—

(I) the alternative fuel required to be used in the vehicle is not reasonably available to retail purchasers of the fuel, as certified by the Secretary by the head of the agency; or

(II) the cost of the alternative fuel otherwise required to be used in the vehicle is unreasonable- ly more expensive compared to gasoline, as

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certified to the Secretary by the head of the agency.

“(III) The Secretary shall monitor compliance with this subparagraph by all such fleets and shall report annually to Congress on the extent to which the requirements of this subparagraph are being achieved. The report shall include information on annual reductions achieved from the use of petroleum-based fuels and the problems, if any, encountered in acquiring alternative fuels.”.

SEC. 702. INCREMENTAL COST ALLOCATION.

Section 303(c) of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.) is amended by—

(a) ALTERATIVE COMPLIANCE AND FLEXIBILITY.

(1) by redesignating section 514 (42 U.S.C. 13264) as section 515; and

(b) by inserting after section 513 (42 U.S.C. 13263) the following:

"SEC. 514. ALTERNATIVE COMPLIANCE.

(a) APPLICATION FOR WAIVER.—Any covered person subject to section 501 and any State subject to section 507(o) may petition the Secretary for a waiver of the applicable requirements of section 501 or 507(o).

(b) GRANT OF WAIVER.—The Secretary shall grant a waiver of the requirement of section 501 or 507(o) if the Secretary finds that—

(i) the waiver, if granted, will result in substantial reductions in the cost, or substantial savings in the use, of alternative fuels to the alternative fuel industry;

(ii) the waiver, if granted, will result in substantial savings in the use of alternative fuels to any State or covered person that will receive a waiver under this section; and

(iii) the waiver, if granted, will result in substantial savings in the use of alternative fuels to any State or covered person that is granted a waiver under this section.

(c) EFFECT OF WAIVERS ON STATE OR COVERED PERSON.

(1) if the Secretary grants a waiver under this section, the Secretary shall submit to Congress a report that—

(i) identifies the grant recipients;

(ii) describes the technologies to be funded under the waiver program; and

(iii) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(2) the Secretary shall make awards to the requesting State or covered person for the fiscal year.

(d) APPLICATIONS SUBMITTED FOR WAIVER.

The Secretary shall make awards to the requesting State or covered person for the fiscal year.

SEC. 703. REPORT CONCERNING COMPLIANCE WITH ALTERNATIVE FUELED VEHICLE PURCHASING REQUIREMENTS.


SEC. 704. REVIEW OF ENERGY POLICY ACT OF 1992 PROGRAMS.

(a) In General.—Not later than 180 days after the date of enactment of this section, the Secretary shall complete a study to determine the effect that titles III, IV, and V of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.) have had on—

(1) the development of alternative fueled vehicle technology;

(2) the availability of that technology in the market; and

(3) the use of alternative fueled vehicles.

(b) TOPICS.—As part of the study under subsection (a), the Secretary shall specifically identify—

(1) the number of alternative fueled vehicles acquired by fleets or persons covered under this section, the Secretary shall submit to Congress a report that—

(i) identifies the grant recipients;

(ii) describes the technologies to be funded under the waiver program; and

(iii) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(2) the Secretary shall make awards to the requesting State or covered person for the fiscal year.

(3) the quantity, by type, of alternative fuel vehicles acquired by fleets or persons covered under this section, the Secretary shall submit to Congress a report that—

(i) identifies the grant recipients;

(ii) describes the technologies to be funded under the waiver program; and

(iii) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(2) the Secretary shall make awards to the requesting State or covered person for the fiscal year.

(3) $10,000,000 for fiscal year 2008; and

(4) $20,000,000 for fiscal year 2009.

SEC. 707. EMERGENCY EXEMPTION.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended by—

(a) inserting before the first semicolon at the end of

"(b) EFFECTIVE DATE.

This section shall take effect on the date of enactment of this Act.

SEC. 708. JOINT FLEXIBLE FUELS/HYBRID VEHICLE COMMERCIALIZATION INITIATIVE.

The Secretary shall make a study to determine the effect that titles III, IV, and V of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.) have had on—

(1) the development of alternative fueled vehicle technology;

(2) the availability of that technology in the market; and

(3) the use of alternative fueled vehicles.

(b) TOPICS.—As part of the study under subsection (a), the Secretary shall specifically identify—

(1) the number of alternative fueled vehicles acquired by fleets or persons covered under this section, the Secretary shall submit to Congress a report that—

(i) identifies the grant recipients;

(ii) describes the technologies to be funded under the waiver program; and

(iii) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(2) the Secretary shall make awards to the requesting State or covered person for the fiscal year.

(3) the quantity, by type, of alternative fuel vehicles acquired by fleets or persons covered under this section, the Secretary shall submit to Congress a report that—

(i) identifies the grant recipients;

(ii) describes the technologies to be funded under the waiver program; and

(iii) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(2) the Secretary shall make awards to the requesting State or covered person for the fiscal year.

(3) $10,000,000 for fiscal year 2008; and

(4) $20,000,000 for fiscal year 2009.

SEC. 709. EMERGENCY EXEMPTION.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended by—

(a) inserting before the first semicolon at the end of

"(b) EFFECTIVE DATE.

This section shall take effect on the date of enactment of this Act.

SEC. 710. HYBRID VEHICLES.

The Secretary shall accelerate efforts directed toward the improvement of batteries and other rechargeable energy storage systems, power electronics, hybrid systems integration, and other technologies for use in hybrid vehicles.

SEC. 711. EFFICIENT HYBRID AND ADVANCED DIESEL VEHICLES.

(a) PROGRAM.—The Secretary shall establish a program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles. The program shall include grants to automobile manufacturers to encourage domestic production of efficient hybrid and advanced diesel vehicles.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary for each of the fiscal years 2006 through 2015.

PART 2—ADVANCED VEHICLES

SEC. 721. PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in consultation with the Secretary of Transportation, shall establish a competitive grant pilot program (referred to in this part as the ‘‘pilot program’’), to be administered through the Clean Cities Program of the Department of Energy, to provide not more than 30 geographically dispersed project grants to State governments, local governments, or metropolitan transportation authorities to carry out a project or projects for the purposes described in subsection (b).

(b) GRANT PURPOSES.—A grant under this section may be used for the following purposes:

(1) the acquisition of alternative fueled vehicles or fuel cell vehicles, including—

(A) passenger vehicles (including neighborhood electric vehicles); and

(B) motorized 2- and 3-wheeled bicycles or other vehicles for use by law enforcement personnel or other State or local government or metropolitan transportation authority employees.

The Secretary shall make awards to the requesting State or covered person for the fiscal year.

(2) the acquisition of alternative fueled vehicles, hybrid vehicles, or fuel cell vehicles, including—

(A) passenger vehicles (including neighborhood electric vehicles); and

(B) motorized 2- and 3-wheeled bicycles or other vehicles for use by law enforcement personnel or other State or local government or metropolitan transportation authority employees.
Subtitle B—Clean School Buses

SEC. 741. CLEAN SCHOOL BUS PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) ALTERNATIVE FUEL.—The term “alternative fuel” means—

(A) liquefied natural gas, compressed natural gas, liquefied petroleum gas, hydrogen, or propane;

(B) methanol or ethanol at no less than 85 percent by volume; or

(C) biodiesel conforming with standards published by the American Society for Testing and Materials.

(b) PROGRAM FOR RETROFIT OR REPLACEMENT OF CERTAIN EXISTING SCHOOL BUSES WITH CLEAN SCHOOL BUSES.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Administrator, in consultation with the Secretary of Transportation, shall establish a program for retrofitting or replacing school buses covered under section 722(a)(2)(A) of this Act.

(B) PRIORITY.—The program established under paragraph (A) shall give priority to applicants that—

(i) submit a request for funding under this section not later than 30 days after the date of enactment of this Act;

(ii) are located in communities that have been identified as having a high degree of air pollution emissions;

(iii) are located in areas that are economically disadvantaged;

(iv) are from a public school system that has been affected by brownouts or other energy crises;

(v) have not previously received funding under this Act or any other Federal program for the retrofitting or replacement of school buses; and

(vi) have demonstrated a commitment to increasing the use of alternative fuels in their school districts.

(c) USE OF SCHOOL BUS FLEET.

(A) BUSES.—No school bus shall be operated as part of the school bus fleet for which the grant was made for less than 5 years.

SEC. 742. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator to carry out this section $200,000,000, to remain available until expended.

PART III—FUEL CELL BUSES

SEC. 731. FUEL CELL TRANSIT BUS DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Transportation, shall establish a program to provide grants to eligible recipients to carry out projects that—

(i) will allow for the acquisition and installation of fuel cell transit buses; and

(ii) will provide for the demonstration of the use of fuel cell transit buses in the urban transit systems of eligible recipients.

(b) ELIGIBLE RECIPIENTS.—An eligible recipient under this section is an entity that—

(A) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(B) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(C) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(D) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(E) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(F) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(G) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(H) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(I) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(J) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(K) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(L) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(M) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(N) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(O) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(P) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Q) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(R) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(S) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(T) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(U) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(V) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(W) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(X) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Y) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Z) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients.

(b) ELIGIBLE RECIPIENTS.—An eligible recipient under this section is an entity that—

(A) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(B) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(C) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(D) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(E) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(F) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(G) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(H) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(I) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(J) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(K) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(L) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(M) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(N) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(O) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(P) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Q) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(R) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(S) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(T) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(U) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(V) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(W) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(X) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Y) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients;

(Z) has demonstrated a commitment to the use of fuel cell technology in the urban transit systems of eligible recipients.
(B) MAINTENANCE, OPERATION, AND FUELING.—New school buses and retrofit technology shall be maintained, operated, and fueled according to manufacturer recommendations or State requirements.

(4) RETROFIT GRANTS.—The Administrator may award grants for up to 100 percent of the retrofit technologies and installation costs.

(5) DEPLOYMENT AND DISTRIBUTION.—

(A) ELIGIBILITY FOR 50 PERCENT GRANTS.—The Administrator may award grants for replacement of school buses in the amount of up to 25 percent of the acquisition costs (including fueling infrastructure) for—

(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—

(I) 1.8 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and

(II) .01 grams per brake horsepower-hour of particulate matter; or

(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter to be applicable for school buses manufactured in model year 2010.

(B) ELIGIBILITY FOR 25 PERCENT GRANTS.—The Administrator may award grants for replacement of school buses in the amount of up to 25 percent of the acquisition costs (including fueling infrastructure) for—

(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—

(I) 2.5 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and

(II) .01 grams per brake horsepower-hour of particulate matter; or

(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter from school buses manufactured in that model year.

(6) ULTRA LOW SULFUR DIESEL FUEL.—

(A) IN GENERAL.—In the case of a grant recipient receiving a grant for the acquisition of ultra-low sulfur diesel fuel school buses with engines manufactured in model year 2005 or 2006, the grant recipient shall provide, to the satisfaction of the Administrator—

(i) documentation that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the purposes of the grant; and

(ii) a commitment by the applicant to use that fuel in carrying out the purposes of the grant.

(B) DEPLOYMENT AND DISTRIBUTION.—The Administrator shall, to the maximum extent practicable—

(A) achieve nationwide deployment of clean school buses through the program under this section; and

(B) ensure a broad geographic distribution of grant awards, with no State receiving more than 10 percent of the grant funding made available under this section during a fiscal year.

(C) IN GENERAL.—Not later than January 31 of each year, the Administrator shall submit to Congress a report that—

(i) evaluates the implementation of this section; and

(ii) describes—

(I) the total number of grant applications received;

(II) the number and types of alternative fuel school buses, ultra-low sulfur diesel fuel school buses, and retrofit technologies funded under the program; and

(III) grants awarded and the criteria used to select the grant recipients;

(A) EMISSIONS FROM OPERATING BUSES.—

(V) an evaluation of the in-use emission level of buses purchased or retrofitted under this section; and

(VI) any other information the Administrator considers appropriate.

(C) EDUCATION.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall publish in the Federal Register a program to promote and explain the grant program.

(2) COORDINATION WITH STAKEHOLDERS.—The outreach program shall be designed and conducted with the cooperation of national bus industry associations, transportation associations and other stakeholders.

(3) COMPONENTS.—The outreach program shall—

(A) inform potential grant recipients on the process of applying for grants;

(B) describe retrofit technologies and the benefits of the technologies;

(C) explain the benefits of participating in the grant program; and

(D) include, as appropriate, information from the annual report required under subsection (b)(8).

(D) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated to the Administrator to carry out this section, to remain available until expended—

(I) $55,000,000 for each of fiscal years 2006 and 2007; and

(II) such sums as are necessary for each of fiscal years 2008, 2009, and 2010.

SEC. 742. DUAL FUEL AND FUEL MODERNIZATION PROGRAM.

(a) ESTABLISHMENT.—In consultation with the Secretary, the Administrator shall establish a program for awarding grants on a competitive basis to public agencies and entities for fleet modernization programs including installation of retrofit technologies for diesel trucks.

(b) ELIGIBLE RECIPIENTS.—A grant shall be awarded under this section only to a State or local government or an agency or instrumentality of a State or local government or of two or more State or local governments who will allocate funds, with preference to ports and other major hauling operations.

(c) AWARDS.—

(1) IN GENERAL.—The Administrator shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of grants under this section.

(2) PREFERENCE.—In making awards of grants under this section, the Administrator shall give preference to proposals that—

(A) will achieve the greatest reductions in engine emissions of non-methane hydrocarbons, oxides of nitrogen, and particulate matter per gallon of fuel or per truck; or

(B) involve the use of Environmental Protection Agency or California Air Resources Board verified emissions control retrofit technology on diesel trucks that operate solely on ultra-low sulfur diesel fuel after September 2006.

(d) CONDITIONS OF GRANT.—A grant shall be provided under this section on the conditions that—

(1) trucks which are replacing scrapped trucks and on which retrofit emissions-control technology are to be demonstrated—

(A) will operate on ultra-low sulfur diesel fuel where such fuel is reasonably available or required for sale by State or local law or regulation;

(B) were manufactured in model year 1988 and before; and

(C) will be used for the transportation of cargo goods especially in port areas or used in goods movement and major hauling operations;

(2) grant funds will be used for the purchase of emission control retrofit technology, including State taxes and contract fees; and

(3) grant recipients will provide at least 50 percent of the cost of the retrofit, from any source other than this grant program to promote and explain the grant program.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

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

(2) $35,000,000 for fiscal year 2007;

(3) $45,000,000 for fiscal year 2008;

(4) Such sums as are necessary for each of fiscal years 2009 and 2010.

SEC. 743. FUEL CELL SCHOOL BUSES.

(a) ESTABLISHMENT.—The Secretary shall establish a program for entering into cooperative agreements—

(1) with private sector fuel cell bus developers for the development of fuel cell-powered school buses; and

(2) subsequently, with not less than 2 units of local government using natural gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel cell-powered school buses.

(b) COST SHARING.—The non-Federal contribution for activities funded under this section shall be not less than—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (1).

(c) REPORTS TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report that—

(1) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(2) assesses the results of the demonstration program under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this program—

(1) $30,000,000 for fiscal year 2006; and

(2) $40,000,000 for fiscal year 2007.

Subtitle D—Miscellaneous

SEC. 751. RAILROAD EFFICIENCY.

(a) ESTABLISHMENT.—The Secretary shall (in cooperation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency) establish a cost-shared, public-private research partnership involving the Federal Government, railroad carriers, locomotive manufacturers and equipment suppliers, and the Association of American Railroads, to develop and demonstrate railroad locomotive technologies that increase fuel economy, reduce emissions, and reduce noise.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the program—

(1) $15,000,000 for fiscal year 2006;

(2) $20,000,000 for fiscal year 2007; and

(3) $30,000,000 for fiscal year 2008.

SEC. 752. MOBILE EMISSION REDUCTIONS TRADING AND CREDITING.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator shall submit to Congress a report on the experience of the Administrator with the trading of mobile source emission reduction credits for use by owners and operators of stationary source emission sources to meet emission offset requirements within a nonattainment area.
(b) CONTENTS.—The report shall describe—

(1) projects approved by the Administrator that include the trading of mobile source emission reduction credits for use by stationary sources in complying with offset requirements, including a description of—

(A) project and stationary sources location;
(B) volumes of emissions offset and traded;
(C) sources of mobile emission reduction credits; and

(D) if available, the cost of the credits;

(2) the significant issues identified by the Administrator in consideration and approval of trading in the projects;

(3) the requirements for monitoring and assessing the air quality benefits of any approved projects;

(4) the statutory authority on which the Administrator has based approval of the projects;

(5) an evaluation of how the resolution of issues in approved projects could be used in other projects and whether the emission reduction credits may be considered to be additional in relation to other requirements;

(6) the potential, for attainment purposes, of emission reduction credits relating to transit and land use policies; and

(7) any other issues that the Administrator considers relevant to the trading and generation of mobile source emission reduction credits for use by stationary sources or for other purposes.

SEC. 753. AVIATION FUEL CONSERVATION AND IDLING.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration and the Administrator of the Environmental Protection Agency shall jointly initiate a study to identify—

(1) the impact of aircraft emissions on air quality in nonattainment areas;

(2) ways to promote fuel conservation measures for aviation to enhance fuel efficiency and reduce emissions; and

(3) technologies to reduce aircraft air traffic inefficiencies that increase fuel burn and emissions.

(b) FOCUS.—The study under subsection (a) shall focus on long-duration idling of heavy-duty vehicles.

(c) REPORT.—Not later than 1 year after the date of the initiation of the study under subsection (a), the Administrator of the Federal Aviation Administration and the Administrator of the Environmental Protection Agency shall jointly submit to the Committee on Energy and Commerce and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report that—

(1) describes the results of the study; and

(2) includes any recommendations on ways in which unnecessary fuel use and emissions affecting air quality may be reduced—

(A) without adversely affecting safety and security and increasing individual aircraft noise; and

(B) while taking into account all aircraft emissions and the impact of those emissions on human health.

(d) RISK ASSESSMENTS.—Any assessment of risk to human health and the environment prepared by the Administrator of the Federal Aviation Administration or the Administrator of the Environmental Protection Agency to support the report in this section shall be based on sound and objective scientific practices, shall consider the best available evidence, and shall present the weight of the scientific evidence concerning such risks.

SEC. 754. DIESEL FUELED VEHICLES.

(a) DEFINITION OF TIER 2 EMISSION STANDARDS.—In this section, the term ‘‘tier 2 emission standards’’ means the motor vehicle emission standards that apply to passenger cars, light trucks, and larger passenger vehicles manufactured after the 2003 model year, as issued on February 10, 2000, by the Administrator of the Environmental Protection Agency under sections 202 and 211 of the Clean Air Act (42 U.S.C. 7521, 7545).

(b) DIESEL COMBUSTION AND AFTER-TREATMENT TECHNOLOGIES.—The Secretary shall accelerate a diesel combusting and after-treatment technologies for use in diesel fueled motor vehicles.

(c) GOALS.—The Secretary shall carry out subsection (b) with a view toward achieving the following goals:

(1) Developing and demonstrating diesel technologies that, not later than 2010, meet the following standards:

(A) Tier 2 emission standards.

(B) The heavy-duty emissions standards of 2007 that are applicable to heavy-duty vehicles under regulations issued by the Administrator of the Environmental Protection Agency as of the date of enactment of this Act.

(2) Developing the next generation of low-emission, high efficiency diesel engine technologies, including homogeneous charge compression ignition technology.

SEC. 755. CONSERVE BY BICYCLING PROGRAM.

(a) DEFINITIONS.—In this section:

(1) PROGRAM.—The term ‘‘program’’ means the Conserve by Bicycling Program established by subsection (b).

(2) SECRETARY.—The term ‘‘Secretary’’ means the Secretary of Transportation.

(b) ESTABLISHMENT.—There is established within the Department of Transportation a program to be known as the ‘‘Conserve by Bicycling Program’’.

(c) PROJECTS.—(1) IN GENERAL.—In carrying out the program, the Secretary shall establish not more than 10 pilot projects that are—

(A) dispersed geographically throughout the United States; and

(B) designed to conserve energy resources by encouraging the use of bicycles in place of motor vehicles.

(2) REQUIREMENTS.—A pilot project described in paragraph (1) shall—

(A) use education and marketing to convert motor vehicle trips to bicycle trips;

(B) document project results and energy savings (measured in estimated units of energy conserved);

(C) facilitate partnerships among interested parties in at least 2 of the fields of—

(i) transportation;

(ii) law enforcement;

(iii) education;

(iv) public health;

(v) environment; and

(vi) energy;

(D) maximize bicycle facility investments;

(E) demonstrate methods that may be used in other regions of the United States; and

(F) facilitate the continuation of ongoing programs that are sustained by local resources.

(3) COST SHARING.—At least 20 percent of the cost of each pilot project described in paragraph (1) shall be provided by non-Federal sources.

(d) ENERGY AND BICYCLING RESEARCH STUDY.—(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall enter into a contract with the National Science Foundation to carry out a study on the feasibility of converting motor vehicle trips to bicycle trips.

(2) COMPONENTS.—The study shall—

(A) document the progress of the pilot projects under subsection (c); and

(B) determine the type and duration of motor vehicle trips that people in the United States may feasibly perform by bicycle, taking into consideration factors such as—

(1) weather;
(ii) update those models as the Administrator determines to be appropriate; and
(B)(i) commence a review of the emission reductions achieved by the use of idle reduction technologies; and
(ii) complete such reviews of the regulations and guidance of the Environmental Protection Agency as the Administrator determines to be appropriate;
(2) DEADLINE FOR COMPLETION.—Not later than 180 days after the date of enactment of this Act, the Administrator shall—
(A) complete the reviews under subparagraphs (A)(i) and (B)(i) of paragraph (1); and
(B) prepare and make publicly available 1 or more reports of the review.
(3) DISCRETIONARY INCLUSIONS.—The reviews under subparagraphs (A)(i) and (B)(i) of paragraph (1) and the reports under paragraph (2) may address the potential fuel savings resulting from use of idle reduction technology.
(4) IDLE REDUCTION AND ENERGY CONSERVATION DEPLOYMENT PROGRAM.—
(A) ESTABLISHMENT.
(i) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator shall—
(1) identify the grant recipients, a description of the projects to be funded and the amount of funding provided; and
(2) submit an interim report to Congress on the findings of the program, including a comprehensive analysis of impacts from biodiesel on vehicle performance with biodiesel.
(ii) Authorization of Appropriations.—There are authorized to be appropriated to the Administrator to carry out its obligations with respect to average fuel economy standards $3,500,000 for each of the fiscal years 2006 through 2010.
(B) FUNDING.
(i) A UTHORIZATION OF APPROPRIATIONS —There are authorized to be appropriated to the Administrator to carry out the program for the purpose of reducing extended idling from heavy-duty vehicles $19,500,000 for fiscal year 2006, $30,000,000 for fiscal year 2007, and $45,000,000 for fiscal year 2008.
(ii) COMPLETION.—On request by a regulatory authority, the Administrator shall establish a program to support demonstration or certification that—
(1) an identification of the grant recipients, a description of the projects to be funded and the amount of funding provided; and
(2) an identification of all other applicants that submitted applications under the program.
(C) P ROOF.—On request by a regulatory authority, the Administrator shall provide proof (through demonstration or certification) that—
(1) the idle reduction technology is fully functional at all times; and
(ii) the 400-pound gross weight increase is not used for any purpose other than the use of idle reduction technology described in subparagraph (A).
(D) REPORT.—Not later than 60 days after the date on which funds are initially awarded under this section, and on an annual basis thereafter, the Administrator shall submit to Congress a report containing—
(1) an identification of the grant recipients, a description of the grant recipients, a description of the projects to be funded and the amount of funding provided; and
(2) an identification of all other applicants that submitted applications under the program.
(5) COVERAGE.
(A) IN GENERAL.—Subject to subparagraphs (B) and (C), in order to promote reduction of fuel use and emission of engine idling, the maximum gross vehicle weight limit and the axle weight limit for any heavy-duty vehicle equipped with an idle reduction technology shall be increased by a quantity necessary to compensate for the additional weight of the idle reduction system.
(B) REDUCTION OF WEIGHT REQUIREMENT.—The weight increase under subparagraph (A) shall not be greater than 400 pounds.
(C) PROOF.—On request by a regulatory authority, the vehicle operator shall provide proof (through demonstration or certification) that—
(1) the idle reduction technology is fully functional at all times; and
(ii) the 400-pound gross weight increase is not used for any purpose other than the use of idle reduction technology described in subparagraph (A).
127(a) of title 23, United States Code, is amended—
(A); and
(1) by designating the first through eleventh sentences as paragraphs (1) through (11), respectively; and
(2) by adding at the end the following:
(12) HEAVY DUTY VEHICLES.—
(A) IN GENERAL.—Subject to subparagraphs (B) and (C), in order to promote reduction of fuel use and emission of engine idling, the maximum gross vehicle weight limit and the axle weight limit for any heavy-duty vehicle equipped with an idle reduction technology shall be increased by a quantity necessary to compensate for the additional weight of the idle reduction system.
(B) REDUCTION OF WEIGHT REQUIREMENT.—The weight increase under subparagraph (A) shall not be greater than 400 pounds.
(C) PROOF.—On request by a regulatory authority, the vehicle operator shall provide proof (through demonstration or certification) that—
(1) the idle reduction technology is fully functional at all times; and
(ii) the 400-pound gross weight increase is not used for any purpose other than the use of idle reduction technology described in subparagraph (A).

SEC. 758. ULTRA-EFFICIENT ENGINE TECHNOLOGY PARTNERSHIP.—The Secretary shall enter into a cooperative agreement with the National Aeronautics and Space Administration for the development of ultra-efficient engine technology for aircraft.

SEC. 759. FUEL ECONOMY INCENTIVE REQUIREMENTS.

Section 32906 of title 49, United States Code, is amended by adding the following new subsection at the end thereof:

(1) FUEL ECONOMY INCENTIVE REQUIREMENTS.—In order for any model of dual fueled automobile to be eligible for the fuel economy incentives included in section 32906(a) and (b), a label shall be attached to the fuel compartment of each dual fueled automobile that indicates that the vehicle can be operated on an alternative fuel and on gasoline, with the form of alternative fuel stated on the notice. This requirement applies to dual fueled automobiles manufactured on or after September 1, 2006.

Subtitle E—Automobile Efficiency

SEC. 771. AUTHORIZATION OF APPROPRIATIONS FOR IMPLEMENTATION AND ENFORCEMENT OF FUEL ECONOMY STANDARDS.

In addition to any other funds authorized by law, there are authorized to be appropriated to the National Highway Traffic Safety Administration to carry out its obligations with respect to average fuel economy standards $3,500,000 for each of the fiscal years 2006 through 2010.

SEC. 772. EXTENSION OF MAXIMUM FUEL ECONOMY INCREASE FOR ALTERNATIVE FUELS VEHICLES.

(a) MANUFACTURING INCENTIVES.—Section 32905 of title 49, United States Code, is amended—
(1) in each of subsections (b) and (d), by striking “1993–2004” and inserting “1993–2010”; and
(2) in subsection (b), by striking “2001” and inserting “2007”.

(b) MAXIMUM FUEL ECONOMY INCREASE SUBSECTION (A)(1) OF SECTION 32906 OF TITLE 49, UNITED STATES CODE, IS AMENDED—
(1) by striking “model years 1993–2004” and inserting “model years 1993–2010”; and
(2) by striking “2007” and inserting “2014”.

SEC. 773. STUDY OF FEASIBILITY AND EFFECTS OF REDUCING USE OF FUEL FOR AIRCRAFT.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of the National Aeronautics and Space Administration shall initiate a study of the feasibility and effect on average model year 2014, by a significant percentage, the amount of fuel consumed by automobiles.

(b) PROCEDURES.—The study under this section shall include—
(1) examination of, and recommendation of alternatives to, the policy under current Federal law of establishing average fuel economy standards for automobiles and requiring each automobile manufacturer to comply with average...
fuel economy standards that apply to the automobiles it manufactures; 
(2) examination of how automobile manufacturers could contribute toward achieving the reduction referred to in section 402(a); and 
(3) examination of the potential of fuel cell technology in motor vehicles in order to determine the extent to which such technology may contribute toward achieving the reduction referred to in subsection (a); and 
(4) examination of the effects of the reduction referred to in subsection (a) on—
(A) gasoline supplies; 
(B) the automobile industry, including sales of automobiles manufactured in the United States; 
(C) public vehicle safety; and 
(D) air quality.

(c) REPORT.—The Administrator shall submit to Congress findings, conclusions, and recommendations of the study under this section by not later than 1 year after the date of the enactment of this Act.

SEC. 781. DEFINITIONS.

In this subtitle—
(1) FUEL CELL.—The term “fuel cell” means a device that directly converts the chemical energy of a fuel and an oxidant into electricity by electrochemical processes occurring at separate electrodes in the device.
(2) LIGHT-DUTY OR HEAVY-DUTY VEHICLE FLEET.—The terms “light-duty or heavy-duty vehicle fleet” does not include any vehicle designed or procured for combat or combat-related missions.
(3) STATIONARY; PORTABLE.—The terms “stationary” and “portable,” when used in reference to a fuel cell, include—
(A) continuous electric power; and 
(B) backup electric power.
(4) TASK FORCE.—The term “Task Force” means the Hydrogen and Fuel Cell Technical Task Force established under section 806 of this Act.
(5) TECHNICAL ADVISORY COMMITTEE.—The term “Technical Advisory Committee” means the independent Technical Advisory Committee selected under section 807 of this Act.

SEC. 782. FEDERAL AND STATE PROCUREMENT OF FUEL CELL VEHICLES AND HYDROGEN ENERGY SYSTEMS.

(a) PURPOSES.—The purposes of this section are—
(1) to stimulate acceptance by the market of fuel cell vehicles and hydrogen energy systems; 
(2) to support development of technologies relating to fuel cell vehicles, public refueling stations, and hydrogen energy systems; and 
(3) to support the development of Federal government, which is the largest single user of energy in the United States, to adopt those technologies as soon as is practicable after the technologies are developed, in conjunction with private industry partners.

(b) FEDERAL LEASES AND PURCHASES.—

(1) REQUIREMENT.—Not later than January 1, 2010, the head of any Federal agency that uses a light-duty or heavy-duty vehicle fleet shall lease or purchase fuel cell vehicles and hydrogen energy systems to meet any applicable energy savings goal described in subsection (c).

(2) LEARNING DEMONSTRATION VEHICLES.—The Secretary may lease or purchase appropriate vehicles that meet the requirements of subparagraph (b)(1)(A) of section 808 to meet the requirement referred to in paragraph (1).

(3) PURPOSES.—The purposes of this section are—
(1) to stimulate acceptance by the market of stationary, portable, and micro fuel cells; and 
(2) to support development of technologies relating to stationary, portable, and micro fuel cells.

(b) FEDERAL LEASES AND PURCHASES.—

(1) REQUIREMENT.—Not later than January 1, 2006, the head of any Federal agency that uses a light-duty or heavy-duty vehicle fleet shall lease or purchase fuel cell vehicles and hydrogen energy systems to meet any applicable energy savings goal described in subsection (c).

(2) LEARNING DEMONSTRATION VEHICLES.—The Secretary may lease or purchase appropriate vehicles that meet the requirements of subparagraph (b)(1)(A) of section 808 to meet the requirement referred to in paragraph (1).

(3) PURPOSE.—The purposes of this section are—
(1) to stimulate acceptance by the market of stationary, portable, and micro fuel cells; and 
(2) to support development of technologies relating to stationary, portable, and micro fuel cells.

(c) REPORT.—The Secretary shall submit to Congress a report on the progress made toward meeting the energy savings goals for each Federal agency, in accordance with any Executive order issued after March 2000; and

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section—
(1) $20,000,000 for fiscal year 2006; 
(2) $50,000,000 for fiscal year 2007; 
(3) $75,000,000 for fiscal year 2008; 
(4) $100,000,000 for fiscal year 2009; 
(5) $100,000,000 for fiscal year 2010; and 
(6) such sums as are necessary for each of fiscal years 2011 through 2015.

Subtitle G—Diesel Emissions Reduction

SEC. 791. DEFINITIONS.

In this subtitle—
(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.
(2) CERTIFIED ENGINE CONFIGURATION.—The term “certified engine configuration” means a new, rebuilt, or remanufactured engine configuration that meets the standards set by the California Air Resources Board for the federal emissions standards specified in section 203(b)(1)(A) of the Clean Air Act (42 U.S.C. 7521(b)), or any standards adopted by the California Air Resources Board that are more stringent.

(3) FUEL CELLS.—The term “fuel cells” means—
(A) that has been certified or verified by—
(i) the Administrator; or 
(ii) the California Air Resources Board, or 
(iii) a manufacturer, that the engine configuration is certified or verified to meet the standards set by the California Air Resources Board; or 
(iv) any state that authorizes the California Air Resources Board to certify or verify entire engine configurations; or 
(B) any engine configuration that is otherwise certified or verified by the Administrator, the California Air Resources Board, or a state that authorizes the California Air Resources Board to certify or verify entire engine configurations; or 
(C) the term “fuel cells” as defined in section 1104(b) of the Clean Air Act (42 U.S.C. 7546(b)); or 
(D) any similar term.

(4) SUCH SUMS.—Such sums as are necessary for each of fiscal years 2011 through 2015.
in the case of a certified engine configuration involving the replacement of an existing engine or vehicle, an engine configuration that replaced an engine that was—
(i) commercial; and
(ii) returned to the supplier for remanufacturing to a more stringent set of engine emissions standards or for slagging.
(3) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—
(A) a regional, State, local, or tribal agency or port authority with jurisdiction over transportation or air quality; and
(B) a nonprofit organization or institution that—
(i) represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or
(ii) is established for a special purpose, the promotion of transportation or air quality.
(4) EMERGING TECHNOLOGY.—The term ‘emerging technology’ means a technology that is not certified or verified by the Administrator or the California Air Resources Board but for which an approvable application and test plan has been submitted for verification to the Administrator or the California Air Resources Board.
(5) FLEET.—The term ‘fleet’ means I or more diesel vehicles or mobile or stationary diesel engines.
(6) HEAVY-DUTY TRUCK.—The term ‘heavy-duty truck’ has the meaning given the term ‘heavy-duty vehicle’ in section 202 of the Clean Air Act (42 U.S.C. 7521).
(7) MEDIUM-DUTY TRUCK.—The term ‘medium-duty truck’ has such meaning as shall be determined by the Administrator, by regulation.
(8) VERIFIED TECHNOLOGY.—The term ‘verified technology’ means a pollution control technology, including a retrofit technology, advanced truckstop electrification system, or auxiliary power unit, that has been verified by—
(A) the Administrator; or
(B) the California Air Resources Board.
SEC. 792. NATIONAL GRANT AND LOAN PROGRAMS.
(a) IN GENERAL.—The Administrator shall use 70 percent of the funds made available to carry out this subtitle for each fiscal year to provide grants and low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities to achieve significant reductions in terms of—
(1) tons of pollution produced; and
(2) diesel emissions exposure, particularly from diesel vehicles in areas designated by the Administrator as poor air quality areas.
(b) DISTRIBUTION.—
(1) IN GENERAL.—The Administrator shall distribute funds made available for a fiscal year under this subtitle in accordance with this section.
(2) FLEETS.—The Administrator shall provide not less than 50 percent of funds available for a fiscal year under this section to eligible entities for the benefit of public fleets.
(3) ENGINE CONFIGURATIONS AND TECHNOLOGIES.—
(A) CERTIFIED ENGINE CONFIGURATIONS AND VERIFIED TECHNOLOGIES.—The Administrator shall provide not less than 30 percent of funds available for a fiscal year under this section to eligible entities for projects using—
(i) a certified engine configuration; or
(ii) a verified technology.
(B) EMERGING TECHNOLOGIES.—
(i) IN GENERAL.—The Administrator shall provide not more than 10 percent of funds available for a fiscal year under this section to eligible entities for the development and commercialization of emerging technologies.
(ii) ADOPTION AND TEST PLAN.—To receive funds under clause (i), a manufacturer, in consultation with an eligible entity, shall submit for verification to the Administrator or the California Air Resources Board a test plan for the emerging technology, together with the application under subsection (c).
(c) APPLICATIONS.—
(1) IN GENERAL.—To receive a grant or loan under this section, an eligible entity shall submit to the Administrator an application at a time, in a manner, and including such information as the Administrator may require.
(2) INCLUSIONS.—An application under this subsection shall include—
(A) a description of the areas served by the eligible entity;
(B) the quantity of air pollution produced by the diesel fleets in the area served by the eligible entity;
(C) a description of the project proposed by the eligible entity, including—
(i) any certified engine configuration, verified technology, or emerging technology to be used or funded by the eligible entity; and
(ii) the means by which the project will achieve a significant reduction in diesel emissions;
(D) an evaluation (using methodology approved by the Administrator or the National Academy of Sciences) of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project; and
(E) an estimate of the cost of the proposed project;
(F) a description of the age and expected lifetime control of the equipment used or funded by the eligible entity;
(G) a description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel; and
(H) provisions for the monitoring and verification of the project.
(3) PRIORITY.—In providing a grant or loan under this section, the Administrator shall give priority to proposed projects that, as determined by the Administrator—
(A) maximize public health benefits;
(B) are the most cost-effective;
(C) serve areas—
(i) with the highest population density;
(ii) that are poor air quality areas, including areas identified by the Administrator as—
(I) in nonattainment or maintenance of national ambient air quality standards for a criteria pollutant;
(II) Federal Class I areas; or
(III) areas with toxic air pollutant concerns;
(iii) that receive a disproportionate quantity of air pollution from a diesel fleets, including truckstop, ports, rail yards, terminals, and distribution centers;
(iv) that use a community-based multistakeholder collaborative process to reduce toxic emissions;
(D) include a certified engine configuration, verified technology, or emerging technology that has a long expected useful life;
(E) will maximize the useful life of any certified engine configuration, verified technology, or emerging technology used or funded by the eligible entity;
(F) conserve diesel fuel; and
(G) use diesel fuel with a sulfur content of less than or equal to 15 parts per million, as the Administrator determines to be appropriate.
(d) USE OF FUNDS.—
(1) IN GENERAL.—An eligible entity may use a grant or loan under this section to—
(A) a retrofit technology (including any incremental costs of a repowered or new diesel engine) that significantly reduces emissions through development and implementation of a certified engine configuration, verified technology, or emerging technology for—
(i) a bus;
(ii) a medium-duty truck or a heavy-duty truck;
(iii) a marine engine;
(iv) a locomotive; or
(v) a nonroad engine or vehicle used in—
(I) construction;
(II) handling of cargo (including at a port or airport);
(III) agriculture; or
(IV) mining; or
(B) projects or programs to reduce long-duration idling using verified technology involving a vehicle or equipment described in subparagraph (A).
(2) REGULATORY PROGRAMS.—
(A) IN GENERAL.—Notwithstanding paragraph (1), no grant or loan provided under this section shall be used to fund the costs of emissions reductions that are mandated under Federal, State or local law.
(B) MANDATED.—For purposes of subparagraph (A), voluntary or elective emission reduction measures shall not be considered ‘mandated’, regardless of whether the reductions are included in the State implementation plan of a State.
SEC. 793. STATE GRANT AND LOAN PROGRAMS.
(a) IN GENERAL.—Subject to the availability of adequate appropriations, the Administrator shall use 30 percent of the funds made available for a fiscal year under this subsection to administer grant and loan programs administered by States that are designed to achieve significant reductions in diesel emissions.
(b) APPLICATIONS.—The Administrator shall—
(1) provide to States guidance for use in applying for grant or loan funds under this section, including information regarding—
(A) the process and forms for applications;
(B) permissible uses of funds received; and
(C) the cost-effectiveness of various emission reduction technologies eligible to be carried out using funds provided under this section; and
(2) establish, for applications described in paragraph (1),—
(A) an annual deadline for submission of the applications;
(B) a process by which the Administrator shall approve or disapprove each application; and
(C) a streamlined process by which a State may renew an application described in paragraph (1) for subsequent fiscal years.
(c) ALLOCATION OF FUNDS.—
(1) IN GENERAL.—For each fiscal year, the Administrator shall allocate among States for which applications are appraised by the Administrator grant and loan programs administered by States that are designed to achieve significant reduction in diesel emissions.
(B) APPLICATIONS.—The Administrator shall—
(1) provide to States guidance for use in applying for grant or loan funds under this section, including information regarding—
(A) the process and forms for applications;
(B) permissible uses of funds received; and
(C) the cost-effectiveness of various emission reduction technologies eligible to be carried out using funds provided under this section; and
(2) establish, for applications described in paragraph (1),—
(A) an annual deadline for submission of the applications;
(B) a process by which the Administrator shall approve or disapprove each application; and
(C) a streamlined process by which a State may renew an application described in paragraph (1) for subsequent fiscal years.
(d) USE OF FUNDS.—
(1) IN GENERAL.—An eligible entity may use a grant or loan under this section to—
(A) if each of the 50 States qualifies for an allocation, an amount equal to 2 percent of the funds made available to carry out this section; or
(B) if fewer than 50 States qualifies for an allocation, an amount equal to the amount described in subparagraph (A), plus an additional amount equal to the product obtained by multiplying—
(i) the proportion that—
(I) the population of the State; bears to
(II) the population of all States described in paragraph (1); by
(ii) the amount of funds remaining after each State described in paragraph (1) receives the 2-percent allocation under this paragraph.
(2) STATE MATCHING INCENTIVE.—
(A) IN GENERAL.—If a State agrees to match the allocation provided to the State under paragraph (1) for a fiscal year, the Administrator shall—
(i) distribute to the State an additional amount equal to 50 percent of the allocation of the State under paragraph (2).
(B) REQUIREMENTS.—A State—
(i) may not use funds received under this subtitle to pay a matching share required under this subsection; and
(ii) shall be required to provide a matching share for any additional amount received under subparagraph (A).
(4) UNCLAIMED FUNDS.—Any funds that are not claimed by a State for a fiscal year under this subsection shall be used to carry out section 792.

(d) ADMINISTRATION.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3) and, to the extent practicable, the priority areas listed in section 792(c)(1), A State shall use any funds provided under this section to develop and implement such grant and loan programs in the State as are appropriate to meet State needs and goals relating to the reduction of diesel emissions.

(2) APPORTIONMENT OF FUNDS.—The Governor of a State that receives funding under this section may determine the portion of funds to be provided as grants or loans.

(3) USE OF FUNDS.—A grant or loan provided under this section may be used for a project relating to—

(A) a certified engine configuration; or

(B) a verified technology.

SEC. 794. EVALUATION AND REPORT.
(a) IN GENERAL.—Not later than 1 year after the date on which funds are made available under this subtitle, and biennially thereafter, the Administrator shall submit to Congress a report evaluating the implementation of the programs under this subtitle.

(b) INCLUSIONS.—The report shall include a description—

(1) the total number of grant applications received;

(2) each grant or loan made under this subtitle, including the amount of the grant or loan;

(3) each project for which a grant or loan is provided under this subtitle, including the criteria used to select the grant or loan recipients;

(4) the actual and estimated air quality and diesel fuel conservation benefits, cost-effectiveness, and cost-benefits of the grant and loan programs under this subtitle;

(5) the problems encountered by projects for which a grant or loan is provided under this subtitle; and

any other information the Administrator considers to be appropriate.

SEC. 795. OUTREACH AND INCENTIVES.
(a) DEFINITION OF ELIGIBLE TECHNOLOGY.—In this section, the term ‘‘eligible technology’’ means—

(1) a verified technology; or

(2) an emerging technology.

(b) TECHNICAL TRANSFER PROGRAM.—

(1) IN GENERAL.—The Administrator shall establish a program under which the Administrator may—

(A) informs stakeholders of the benefits of eligible technologies; and

(B) develops non/financial incentives to promote the use of eligible technologies.

(2) ELIGIBLE STAKEHOLDERS.—Eligible stakeholders under this section include—

(A) equipment owners and operators;

(B) emission and pollution control technology manufacturers;

(C) engine and equipment manufacturers;

(D) State and local officials responsible for air quality management;

(E) community organizations; and

(F) commercial, educational, and environmental organizations.

(c) STATE IMPLEMENTATION PLANS.—The Administrator shall develop appropriate guidance to provide credit to a State for emission reductions in the State created by the use of eligible technologies through a State implementation plan under section 110 of the Clean Air Act (42 U.S.C. 7410).

(d) INTERNATIONAL MARKETS.—The Administrator, in coordination with the Department of Commerce and industry stakeholders, shall inform the United States of the potential of technology developed or used in the United States to provide emission reductions in the United States.

SEC. 796. EFFECT OF SUBTITLE.

Nothing in this subtitle affects any authority under the Clean Air Act (42 U.S.C. 7401 et seq.) in existence on the day before the date of enactment of this Act.

SEC. 797. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle $200,000,000 for each of fiscal years 2005 through 2011, to remain available until expended.

TITLE VIII—HYDROGEN

SEC. 801. HYDROGEN AND FUEL CELL PROGRAM.

This title may be cited as the ‘‘Spark M. Mat-suaga Hydrogen Act of 2005’’.

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to enable and promote comprehensive development, demonstration, and commercialization of hydrogen fuel cell technology in partnership with industry;

(2) to make critical public investments in building strong links to private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation and industrial growth;

(3) to build a mature hydrogen economy that creates fuel diversity in the massive transportation sector of the United States;

(4) to sharply decrease the dependency of the United States on imported oil, eliminate most emissions from the transportation sector, and greatly enhance our energy security; and

(5) to create, strengthen, and protect a sustainable national energy economy.

SEC. 803. DEFINITIONS.

In this title:

(1) FUEL CELL.—The term ‘‘fuel cell’’ means a device that directly converts the chemical energy of a fuel, which is supplied from an external source, and an oxidant into electricity by electrochemical processes occurring at separate electrodes in the device.

(2) HEAVY-DUTY VEHICLE.—The term ‘‘heavy-duty vehicle’’ means a motor vehicle that—

(A) is rated at more than 8,500 pounds gross vehicle weight;

(B) has a curb weight of more than 6,000 pounds; or

(C) has a basic vehicle frontal area in excess of 45 square feet.

(3) INFRASTRUCTURE.—The term ‘‘infrastructure’’ means the equipment, systems, or facilities used to produce, distribute, deliver, or store hydrogen (except for onboard storage).

(4) LIGHT-DUTY VEHICLE.—The term ‘‘light-duty vehicle’’ means a motor vehicle that is rated at 8,500 or less pounds gross vehicle weight.

(5) STATIONARY, PORTABLE.—The terms ‘‘stationary’’ and ‘‘portable’’, when used in reference to a fuel cell, include—

(A) continuous electric power; and

(B) backup electric power.

(6) TASK FORCE.—The term ‘‘Task Force’’ means the Hydrogen and Fuel Cell Technical Task Force established under section 806.

(7) TECHNICAL ADVISORY COMMITTEE.—The term ‘‘Technical Advisory Committee’’ means the Independent Technical Advisory Committee established under section 807.

SEC. 804. PLAN.

Not later than 6 months after the date of enactment of this Act, the Secretary shall transmit to Congress a coordinated plan for the programs described in this title and any other programs of the Department that are directly related to fuel cells or hydrogen. The plan shall describe, at a minimum—

(1) the agenda for the next 5 years for the programs authorized under this title, including the agenda for each activity enumerated in section 806(e);

(2) the types of entities that will carry out the activities under this title and what role each entity is expected to play;

(3) the milestones that will be used to evaluate the progress of the plan;

(4) the most significant technical and non-technical hurdles that stand in the way of achieving the goals described in section 805, and how the programs will address those hurdles; and

(5) the policy assumptions that are implicit in the plan, including any assumptions that would affect the sources of hydrogen or the marketability of hydrogen-related products.

SEC. 805. PROGRAMS.

(a) IN GENERAL.—The Secretary, in consultation with other Federal agencies, in the private sector, and other critical stakeholders, shall conduct a research and development program on technologies relating to the production, purification, distribution, storage, and end use of hydrogen energy, fuel cells, and related infrastructure.

(b) GOAL.—The goal of the program shall be to demonstrate and commercialize the use of hydrogen fuel cells for transportation (light-duty vehicles and heavy-duty vehicles), utility, industrial, commercial, and residential applications.

(c) FOCUS.—In carrying out activities under this title, the Secretary shall focus on factors that are common to the development of hydrogen infrastructure and the supply of vehicle and electric power for critical consumer and commercial applications, and that achieve continuous technical evolution and cost reduction, particularly for hydrogen production, the supply of hydrogen, storage of hydrogen, and end uses of hydrogen that—

(1) steadily increase production, distribution, and end use efficiency and reduce life-cycle emissions;

(2) resolve critical problems relating to catalysts, membranes, storage, lightweight materials, electronic controls, manufacturability, and other problems that emerge from the program; and

(3) enhance sources of renewable fuels and biofuels for hydrogen production; and

(4) enable widespread use of distributed electricity generation and storage.

(d) PUBLIC EDUCATION AND RESEARCH.—In carrying out this section, the Secretary shall support enhanced public education and research conducted at institutions of higher education and research relating to materials, subsystems, manufacturability, maintenance, and safety relating to hydrogen and fuel cells.

(e) ACTIVITIES.—The Secretary, in partnership with the private sector, shall conduct programs to—

(1) production of hydrogen from diverse energy sources, including—

(A) fossil fuels, which may include carbon capture and sequestration;

(B) hydrogen-carrier fuels (including ethanol and methanol);

(C) renewable energy resources, including biomass; and

(D) nuclear energy;

(2) use of hydrogen for commercial, industrial, and residential electric power generation; and

(3) safe delivery of hydrogen or hydrogen-carrier fuels, including—

(A) transmission by pipeline and other distribution methods; and

(B) convenient and economic refueling of vehicles either at central refueling stations or through distributed onsite generation;

(4) advanced vehicle technologies, including—

(A) engine and emission control systems;

(B) energy storage, electric propulsion, and hybrid systems;

(C) automotive materials; and

(D) other advanced vehicle technologies;

(5) storage of hydrogen or hydrogen-carrier fuels, including development of materials for safe and economic storage in gaseous, liquid, or solid form at refueling facilities and onboard vehicles;

(6) development of safe, durable, affordable, and efficient fuel cells, including fuel-flexible cell power systems, manufacturing processes, high-temperature membranes, cost-effective fuel processing for natural gas,
fuel cell stack and system reliability, low temperature operation, and cold start capability; and
(7) the ability of domestic automobile manufacturers to produce a fuel cell vehicle in commercial quantities by model year 2015 that is economically competitive, and technically viable hydrogen fuel cell vehicles in the mass consumer market; and
(B) to enable production, delivery, and acceptance of the first 10,000 fuel cell vehicles in model year 2020—
(i) fuel economy that is substantially higher;
(ii) substantially lower emissions of air pollutants; and
(iii) equivalent or improved vehicle fuel system crash integrity and occupant protection.
(2) HYDROGEN ENERGY AND ENERGY INFRASTRUCTURE.—For hydrogen energy and energy infrastructure, the goals of the program are to enable a commitment not later than 2015 that will lead to infrastructure by 2020 that will provide—
(A) safe and convenient refueling;
(B) improved overall efficiency; and
(C) widespread availability of hydrogen from domestic energy sources through—
(i) production, with consideration of emissions levels;
(ii) delivery, including transmission by pipeline and other distribution methods for hydrogen; and
(iii) storage, including storage in surface transportation vehicles;
(D) hydrogen for fuel cells, internal combustion engines, and other energy conversion devices for portable, stationary, micro, critical needs facilities, and transportation applications; and
(E) other technologies consistent with the Department’s plan.
(3) FUEL CELLS.—The goals for fuel cells and their portable, stationary, and transportation applications are to enable—
(A) safe, economical, and environmentally sound hydrogen fuel cell development;
(B) fuel cells for light duty and other vehicles; and
(C) other technologies consistent with the Department’s plan.
(g) FUNDING.—
(1) IN GENERAL.—The Secretary shall carry out the activities under this section using a competitive, merit-based review process and consistent with the generally applicable Federal laws and regulations governing awards of financial assistance, contracts, or other agreements.
(2) RESEARCH CENTERS.—Activities under this section may be carried out by funding nationally recognized university-based or Federal laboratory research centers.
(h) HYDROGEN SUPPLY.—There are authorized to be appropriated to carry out projects and activities relating to hydrogen production, storage, distribution and dispensing, transportation, education and coordination, and technology transfer under this section—
(1) $160,000,000 for fiscal year 2006;
(2) $200,000,000 for fiscal year 2007;
(3) $220,000,000 for fiscal year 2008;
(4) $240,000,000 for fiscal year 2009;
(5) $250,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2020.
SEC. 806. HYDROGEN AND FUEL CELL TECHNICAL TASK FORCE.
(a) ESTABLISHMENT.—Not later than 120 days after the date of enactment of this Act, the President shall establish an interagency task force chaired by the Secretary with representatives from each of the following:
(1) The Office of Science and Technology Policy within the Executive Office of the President.
(2) The Department of Transportation.
(3) The Department of Defense.
(4) The Department of Energy.
(5) The Department of State.
(6) The Environmental Protection Agency.
(7) The National Aeronautics and Space Administration.
(8) Other Federal agencies as the Secretary determines appropriate.
(b) DUTIES.—
(1) PLANNING.—The Task Force shall work toward—
(A) a safe, economical, and environmentally sound fuel infrastructure for hydrogen and hydrogen-carrier fuels, including an infrastructure that supports buses and other fleet transportation;
(B) fuel cells in government and other applications, including portable, stationary, and transportation applications;
(C) distributed power generation, including the generation of combined heat, power, and clean fuels including hydrogen;
(D) uniform hydrogen codes, standards, and safety protocols; and
(E) vehicle hydrogen fuel system integrity safety performance.
(2) ACTIVITIES.—The Task Force may organize workshops and conferences, may issue publications, and may create databases to carry out its duties. The Task Force shall—
(A) foster the exchange of generic, nonproprietary information and technology among industry, academia, and government;
(B) develop and maintain an inventory and assessment of hydrogen, fuel cells, and other advanced technologies, including the commercial capability of each technology for the economic and environmentally safe production, distribution, delivery, storage, and use of hydrogen;
(C) integrate technical and other information made available as a result of the programs and activities under this title;
(D) promote the marketplace introduction of infrastructure for hydrogen fuel vehicles; and
(E) conduct an education program to provide hydrogen and fuel cell information to potential end-users.
(c) AGENCY COOPERATION.—The heads of all agencies, including other agencies that are members of the Technical Advisory Committee since the previous report.
(d) RESPONSIBILITY.—The Secretary shall provide the Secretary with such assistance as is necessary to carry out the responsibilities under this title.
SEC. 807. TECHNICAL ADVISORY COMMITTEE.
(a) ESTABLISHMENT.—The Hydrogen Technical and Fuel Cell Advisory Committee is established to advise the Secretary on the programs and activities under this title.
(b) MEMBERSHIP.—
(1) MEMBERS.—The Technical Advisory Committee shall comprise of not fewer than 12 nor more than 25 members. The members shall be appointed by the Secretary to represent domestic industry, academia, professional societies, government agencies, previous advisory panels, and financial, environmental, and other appropriate organizations based on the Department’s assessment of the technical and other qualifications of Technical Advisory Committee members and the needs of the Technical Advisory Committee.
(2) TERMS.—The term of a member of the Technical Advisory Committee shall not be more than 3 years. The Secretary may appoint members of the Technical Advisory Committee in a manner that allows the terms of the members serving on any given day to be staggered so as to ensure continuity in the functioning of the Technical Advisory Committee. A member of the Technical Advisory Committee whose term is expressing to serve a full term on the Technical Advisory Committee.
(c) CHAIRPERSON.—The Technical Advisory Committee shall have a chairperson, who shall be elected by the members from among their number.
(d) REVIEW.—The Technical Advisory Committee shall review and make recommendations to the Secretary on—
(1) the implementation of programs and activities under this title;
(2) the safety, economical, and environmental consequences of technologies for the production, distribution, delivery, storage, or use of hydrogen energy and fuel cells; and
(3) the plan under section 804.
(e) RESPONSE.—
(1) CONSIDERATION OF RECOMMENDATIONS.—The Secretary shall consider, but need not adopt, any recommendations of the Technical Advisory Committee under subsections (a) and (b).
(2) BIENNIAL REPORT.—The Secretary shall transmit a biennial report to Congress describing any recommendations made by the Technical Advisory Committee since the previous report. The report shall include a description of how the Secretary has implemented or plans to implement the recommendations, or an explanation of the reasons that a recommendation will not be implemented. The report shall be transmitted along with the President’s budget proposal.
(f) SUPPORT.—The Secretary shall provide the Technical Advisory Committee with such personnel and other assistance as is necessary to carry out its responsibilities under this title.
SEC. 808. DEMONSTRATION.
(a) IN GENERAL.—In carrying out the programs under this section, the Secretary shall fund a limited number of demonstration projects, consistent with this title and a determination of the maturity, cost-effectiveness, and environmental impacts of technologies supporting each project. In selecting projects under this subsection, the Secretary shall, to the extent practicable and in the public interest, select projects that—
(1) involve using hydrogen and related products at existing facilities or installations, such as existing office buildings, military bases, vehicle fleet centers, transit bus authorities, or units of the National Park System;
(2) depend on reliable power from hydrogen to carry out essential activities;
(3) lead to the replication of hydrogen technologies and draw such technologies into the marketplace;
(4) include vehicle, portable, and stationary demonstrations of fuel cell and hydrogen-based energy technologies;
(5) address the interdependency of demand for hydrogen fuel cell applications and hydrogen fuel infrastructure;
(6) raise awareness of hydrogen technology among the public;
(7) facilitate identification of an optimum technology among competing alternatives;
(8) address distributed generation using renewable sources;
(9) carry out demonstrations of evolving hydrogen and fuel cell technologies in national parks, remote island areas, and on Indian tribal land, as selected by the Secretary;
(10) carry out a program to demonstrate developmental hydrogen and fuel cell systems for mobile, portable, and stationary uses, using improved versions of the learning demonstrations in program concept of the Department including demonstrations involving—
(A) light-duty vehicles;
(B) heavy-duty vehicles;
(C) fuel cells;
(D) specialty industrial and farm vehicles; and
(E) commercial and residential portable, continuous, and backup electric power generation.
(11) in accordance with any code or standards developed in a region, fund prototype, pilot fleet, and infrastructure regional hydrogen supply systems along the interstate highway system in varied climates across the United States; and
(12) fund demonstration programs that explore the use of hydrogen blends, hybrid hydrogen, and hydrogen reformed from renewable agricultural fuels, including the use of hydrogen in hybrid electric and fuel cell advanced internal combustion-powered vehicles. The Secretary shall give preference to projects which address multiple elements contained in paragraphs (1) through (12). (b) SYSTEM DEMONSTRATIONS.— (1) IN GENERAL.—As a component of the demonstration program under this section, the Secretary shall evaluate the use of hydrogen in cost-shared projects that are as appropriate, to eligible entities (as determined by the Secretary) for use in— (A) cogeneration or distributed energy systems, including the vehicle and infrastructure partner- nerships developed under the learning demonstration program concept of the Department; and (B) designing a local distributed energy system that— (i) incorporates renewable hydrogen production, off-grid electricity production, and fleet and commercial applications with electric vehicles; (ii) integrates energy or applications described in clause (i), such as stationary, portable, mobile, and vehicle fuels, into a high-density commercial or residential building complex or agricultural community; and (iii) is managed in cooperation with industry, State, tribal, and local governments, agricultural organizations, and nonprofit generators and distributors of electricity. (c) IDENTIFICATION OF NEW PROGRAM REQUIREMENTS.—In carrying out the demonstration programs under subsection (a), the Secretary, in consultation with the Task Force and the Technical Advisory Committee, shall— (1) after 2008 for stationary and portable applications, and after 2010 for vehicles, enhance new requirements that refine technological concepts, processes, and applications; and (2) if the Secretary determines appropriate, to support timely and extensive development of safety codes and standards relating to fuel cell vehicles, hydrogen energy systems and stationary, portable, and micro fuel cells. (d) EDUCATIONAL EFFORTS.—The Secretary shall— (1) prepare a detailed roadmap for carrying out the provisions in this title related to solar energy technologies and for implementing the recommendations related to solar energy technologies that are included in the report transmitted under subsection (e); and (2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education. (e) SUPPORT COMMUNICATION AND OUTREACH.— (1) prepare a detailed roadmap for carrying out the provisions in this title related to wind energy technologies and for implementing the recommendations related to wind energy technologies that are included in the report transmitted under subsection (c); and (2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education. (f) AUTHORIZATION OF APPROPRIATIONS.— There are authorized to be appropriated to carry out this section— (1) $4,000,000 for fiscal year 2006; (2) $7,000,000 for fiscal year 2007; (3) $8,000,000 for fiscal year 2008; (4) $10,000,000 for fiscal year 2009; (5) $9,000,000 for fiscal year 2010; and (6) such sums as are necessary for each of fiscal years 2011 through 2020.

SEC. 809. CODES AND STANDARDS. (a) In general.—The Secretary, in cooperation with the Task Force, shall— (1) prepare a detailed roadmap for carrying out the provisions in this title related to solar energy technologies and for implementing the recommendations related to solar energy technologies that are included in the report transmitted under subsection (e); and (2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education. (b) WIND ENERGY TECHNOLOGIES.—The Secretary shall— (1) prepare a detailed roadmap for carrying out the provisions in this title related to wind energy technologies and for implementing the recommendations related to wind energy technologies that are included in the report transmitted under subsection (e); and (2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education. (c) DEVELOPMENT.—The Secretary shall— (1) prepare a detailed roadmap for carrying out the provisions in this title related to solar energy technologies and for implementing the recommendations related to solar energy technologies that are included in the report transmitted under subsection (e); and (2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education.
and wind energy technologies for the production of hydrogen.

(f) DEFINITIONS.—For purposes of this section—

(1) the term “concentrating solar power devices” means devices that concentrate the power of the sun by reflection or refraction to improve the efficiency of a photovoltaic or thermal generation process;

(2) the term “minority institution” has the meaning given to that term in section 365 of the Higher Education Act of 1965 (20 U.S.C. 1061);

(3) the term “part B institution” has the meaning given to that term in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061); and

(4) the term “photovoltaic devices” means devices that convert light directly into electricity through a solid-state, semiconductor process.

(48) PURCHASES.—In carrying out the activities under this section, the Secretary shall conduct a balanced set of programs of energy research, development, demonstration, and commercial application with emphasis on—

(1) increasing the efficiency of all energy-intensive sectors through conservation and improved technologies; and

(2) promoting the security of energy supply.

(49) DEPARTMENTAL MISSION.—The Secretary shall publish measurable cost and performance-based goals, comparable over time, with each annual budget submission in at least the following areas:

(1) Energy efficiency for buildings, energy-consuming industries, and vehicles.

(2) Electric energy generation (including distributed generation), transmission, and storage.

(3) Renewable energy technologies, including wind power, photovoltaics, solar thermal systems, geothermal energy, hydrogen-fueled systems, biomass-based systems, biofuels, and hydrogen.

(4) Fossil energy, including power generation, onshore and offshore oil and gas resource recovery, and transportation fuels.

(5) Nuclear energy, including programs for existing and advanced reactors, and education of future specialists.

(c) PUBLIC COMMENT.—The Secretary shall provide mechanisms for input on the annually published goals from industry, institutions of higher education, and other public sources.

(5) EFFECT OF GOALS.—Nothing in subsection (a) or the annually published goals creates any new authority for any Federal agency, or may be used by any Federal agency, to support the establishment of regulatory standards or regulatory requirements.

(5) DEFINITIONS.—In this title:

(1) DEPARTMENTAL MISSION.—The term “departmental mission” means the functions vested in the Secretary by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) or other law.

(2) HISPANIC-SERVING INSTITUTION.—The term “Hispanic-serving institution” has the meaning given in section 502(a) of the Higher Education Act of 1965 (20 U.S.C. 1001a).

(3) NONMILITARY ENERGY LABORATORY.—The term “nonmilitary energy laboratory” means a National Laboratory other than a National Laboratory listed in subparagraph (G), (H), or (N) of section 902.


(5) SINGLE-PURPOSE RESEARCH FACILITY.—The term “single-purpose research facility” means—

(A) any of the primarily single-purpose entities owned by the Department; or

(B) any other organization of the Department designated by the Secretary.

(6) UNIVERSITY.—The term “university” has the meaning given the term “institution of higher education” in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

Subtitle A—Energy Efficiency

SECTION 901. ENERGY EFFICIENCY.

(a) IN GENERAL.—The Secretary shall conduct programs of energy efficiency research, development, demonstration, and commercial application, including activities described in this subtitle. Such programs shall take into consideration the following objectives:

(A) Increasing the energy efficiency of vehicles, buildings, and industrial processes.

(B) Reducing the demand of the United States for energy, especially energy from foreign sources.

(C) Reducing the cost of energy and making the economy more efficient and competitive.

(D) Improving the energy security of the United States.

(E) Reducing the environmental impact of energy-related activities.

(2) PROGRAMS.—Programs under this subtitle shall include research, development, demonstration, and commercial application of—

(1) advanced, cost-effective technologies to improve the energy efficiency and environmental performance of vehicles, including—

(i) hybrid and electric propulsion systems;

(ii) plug-in hybrid systems;

(iii) advanced combustion engines;

(iv) weight and drag reduction technologies;

(v) whole-vehicle design optimization; and

(vi) advanced drive trains;

(B) cost-effective technologies, for new construction and retrofit, to improve the energy efficiency and environmental performance of buildings, using a whole-buildings approach, including onsite renewable energy generation;

(C) advanced technologies to improve the energy efficiency, environmental performance, and process efficiency of energy-intensive and waste-intensive industries; and

(D) advanced control devices to improve the energy efficiency of electricity distribution, including those used in industrial processes, heating, ventilation, and cooling.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out energy efficiency and conservation research, development, demonstration, and commercial application activities, including activities authorized under this subtitle—

(1) $783,000,000 for fiscal year 2007;

(2) $955,000,000 for fiscal year 2008; and

(3) $952,000,000 for fiscal year 2009.

(c) ALLOCATIONS.—From amounts authorized under subsection (b), the following sums are authorized for—

(1) For activities under section 912, $50,000,000 for each of fiscal years 2007 through 2009.

(2) For activities authorized under part A of title IV of the Energy Conservation and Efficiency Act of 1978 (42 U.S.C. 6302 et seq.) and section 912, $50,000,000 for each of fiscal years 2007 through 2009.

(3) For activities under subsection (a)(2)(A)—

(A) $339,000,000 for fiscal year 2007;

(B) $270,000,000 for fiscal year 2008; and

(C) $310,000,000 for fiscal year 2009.

(4) For activities under subsection (a)(2)(B)—

(A) $2,000,000,000 for each of fiscal years 2007 and 2008; and

(B) $9,000,000,000 for each of fiscal years 2009 through 2013.

(5) Extender.—None of the funds authorized under this section may be used to—

(1) the issuance or implementation of energy efficiency regulations;

(2) the weatherization program established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.); or


(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry our activities under section 912, $50,000,000,000 for each of fiscal years 2010 through 2013.

(c) LIMITATIONS.—None of the funds authorized under this section may be used to—

(1) the issuance or implementation of energy efficiency regulations;

(2) the weatherization program established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.); or

(3) a State energy conservation plan established under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6212 et seq.) or the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.).

SECT. 912. NEXT GENERATION LIGHTING INITIATIVE.

(a) DEFINITIONS.—In this section—

(1) ADVANCED SOLID-STATE LIGHTING.—The term “advanced solid-state lighting” means a solid-state lighting device technology and delivery system that produces white light using externally applied voltage.
(2) INDUSTRY ALLIANCE.—The term “Industry Alliance” means an entity selected by the Secretary under subsection (d).

(3) INITIATIVE.—The term “Initiative” means the National Lighting Initiative carried out under this section.

(4) RESEARCH.—The term “research” includes research on the technologies, materials, and manufacturing processes required for white light emitting diodes.

(5) WHITE LIGHT EMITTING DIODE.—The term “white light emitting diode” means a semiconductor device, using either organic or inorganic materials, that produces white light using externally applied voltage.

(b) Secretary shall carry out a Next Generation Lighting Initiative in accordance with this section to support research, development, demonstration, and commercial application of technologies related to advanced solid-state lighting technologies based on white light emitting diodes.

(c) OBJECTIVES.—The objectives of the Initiative shall be to develop advanced solid-state organic and inorganic lighting technologies based on white light emitting diodes that, compared to incandescent and fluorescent lighting technologies, are longer lasting, are more energy-efficient and cost-competitive, and have less environmental impact.

(d) INDUSTRY ALLIANCE.—Not later than 90 days after the date of enactment of this Act, the Secretary shall competitively select an Industry Alliance to represent participants who are private, for-profit firms, open to large and small businesses, governmental entities, and the public.

(e) RESEARCH.—The Secretary shall annually solicit from the Industry Alliance comments to identify solid-state lighting technology needs; (B) an assessment of the progress of the research activities of the Initiative; and (C) a strategy for annually updating solid-state lighting technology roadmaps.

(f) AVAILABILITY TO PUBLIC.—The information and roadmaps under paragraph (2) shall be available to the public.

(g) DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION.—(1) IN GENERAL.—The Secretary shall carry out a development, demonstration, and commercial application program for the Initiative through competitively awarded grants to— (A) researchers, including Industry Alliance participants; (B) small businesses; (C) National Laboratories; and (D) institutions of higher education.

(h) INDUSTRY ALLIANCE.—The Secretary shall annually solicit from the Industry Alliance— (A) comments to identify solid-state lighting technology needs; (B) an assessment of the progress of the research activities of the Initiative; and (C) a strategy for annually updating solid-state lighting technology roadmaps.

(i) AVAILABILITY TO PUBLIC.—The information and roadmaps under paragraph (2) shall be available to the public.

(j) DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION.—(1) IN GENERAL.—The Secretary shall carry out a program to develop, demonstrate, and commercially apply advanced solid-state lighting technologies.

(k) PROGRAM.—The program shall be— (A) designed to demonstrate the use of batteries in secondary applications, including utilities and commercial power storage and power quality; (B) structured to evaluate the performance, including useful service life and costs, of such batteries in field operations; (C) designed to support infrastructure, including reuse and disposal of batteries; and (D) coordinated with ongoing secondary battery use programs at the National Laboratories and in industry.

(l) PROCUREMENT.—In making the awards, the Secretary may give preference to participants in the Industry Alliance.

(m) COST SHARING.—In carrying out this section, the Secretary shall require cost sharing in accordance with section 988.

(n) INTELLECTUAL PROPERTY.—The Secretary may require in accordance with section 202(a) of title 35, United States Code, section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182), and section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5980b) that the results of solid-state lighting research, including the commercialization of new solid-state lighting technologies, be regivable, nonexclusive licenses and royalties on terms that are reasonable under the circumstances.

(2) that, for 1 year after a United States patent is issued for the invention, the patent holder shall not negotiate any license or royalty with any entity that is not a participant in the Industry Alliance described in paragraph (1); and

(3) that, during the year described in subparagraph (a), the patent holder shall negotiate in good faith with any interested participant in the Industry Alliance described in paragraph (1); and

(4) such other actions as the Secretary determines are necessary to promote accelerated commercialization of inventions made under the initiative.

(3) NATIONAL ACADEMY REVIEW.—The Secretary shall enter into an arrangement with the National Academy of Sciences to conduct periodic reviews of the Initiative.

SEC. 913. NATIONAL BUILDING PERFORMANCE INITIATIVE.

(a) INTERAGENCY GROUP.—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Director of the Office of Science and Technology Policy shall establish an interagency group to develop, in coordination with the advisory committee established under subsection (b), a plan for the National Building Performance Initiative (referred to in this section as the “Initiative”).

(b) COOPERATION.—The interagency group shall be composed of senior officials of the Department of Energy and the Department of Commerce, who shall annually arrange for the provision of necessary administrative support to the group.

(c) INSTITUTIONS.—The initiative shall include Federal, State, and voluntary private sector efforts to reduce the costs of construction, operation, maintenance, and renovation of commercial, industrial, institutional, and residential buildings.

(d) PLAN.—(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the interagency group shall submit to Congress a plan for carrying out the appropriate Federal role in the Initiative.

(2) INCLUSIONS.—The plan shall include— (A) research, development, demonstration, and commercial application of energy technology systems and materials for new construction and retrofit relating to the building envelope and building system components; (B) research, development, demonstration, and commercial application of advanced energy technologies and infrastructure enabling the energy efficient, automated operation of buildings and building equipment; and (C) the cost analysis, dissemination of research results and other pertinent information on enhancing building performance to industry, government entities, and the public.

(e) ADMINISTRATION.—Within the Federal portion of the Initiative, the Department of Energy shall be the lead agency for all aspects of building performance related to use and conservation of energy.

(f) ADVISORY COMMITTEE.—The Director of the Office of Science and Technology Policy shall establish an advisory committee to— (1) analyze and provide recommendations on potential private sector roles and participation in the Initiative; and

(2) review and provide recommendations on the plan described in subsection (c).

(g) ADMINISTRATION.—Nothing in this section provides any Federal agency with new authority to regulate building performance.

SEC. 914. BUILDING STANDARDS.

(a) DEFINITION OF HIGH PERFORMANCE BUILDING.—In this section, the term “high performance building” means a building that— (1) provides one or more of the following features: (A) energy efficiency; (B) compatibility with advanced materials; and (C) indoor environmental quality;

(b) ASSESSMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall enter into an agreement with the National Institute of Building Sciences to— (1) conduct an assessment (in cooperation with industry, standards development organizations, and other entities) of whether the current voluntary consensus standards and rating systems for high performance buildings are consistent with the current technical state of the art; (2) determine if additional research is required, based on the findings of the assessment; and

(c) RECOMMENDATION.—(1) In general.—Nothing in this section shall be interpreted to preclude proprietary and national standards that are based on the findings of the assessment.

(d) ADMINISTRATION.—(1) IN GENERAL.—The Secretary shall establish and conduct a program of research, development, demonstration, and commercial application of energy technology systems and materials for new construction and retrofit relating to the building envelope and building system components.

(e) ASSESSMENT.—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into an agreement with the National Institute of Building Sciences to— (2)(A) that, for 1 year after a United States patent is issued for the invention, the patent holder shall not negotiate any license or royalty with any entity that is not a participant in the Industry Alliance described in paragraph (1); and

(b) determine if additional research is required, based on the findings of the assessment; and

(c) recommend steps for the Secretary to accelerate the development of voluntary consensus-based standards for high performance buildings that are based on the findings of the assessment.

(d) GRANT AND TECHNICAL ASSISTANCE PROGRAM.—(1) CONSISTENT WITH SUBSECTION (b) AND SECTION 124(d) OF THE NATIONAL TECHNOLOGY TRANSFER AND ADVANCEMENT ACT OF 1995 (15 U.S.C. 272 note), the Secretary shall establish a grant and technical assistance program to support the development of voluntary consensus-based standards for high performance buildings.

SEC. 915. SECONDARY ELECTRIC VEHICLE BATTERY USE PROGRAM.

(a) DEFINITIONS.—In this section: (1) BATTERY.—The term “battery” means an energy storage device that has been used to provide motive power in a vehicle powered in whole or in part by electricity.

(2) ASSOCIATED EQUIPMENT.—The term “associated equipment” means— (A) components of the vehicle, including the batteries; and

(B) charging equipment located where the batteries will be used that is necessary to enable the use of the energy stored in the batteries.

(b) PROGRAM.—(1) IN GENERAL.—The Secretary shall establish and conduct a program of research, development, demonstration, and commercial application of energy technology systems and materials for new construction and retrofit relating to the building envelope and building system components.

(2) ADMINISTRATION.—The program shall be— (A) designed to demonstrate the use of batteries in secondary applications, including utilities and commercial power storage and power quality; (B) structured to evaluate the performance, including useful service life and costs, of such batteries in field operations; (C) designed to support infrastructure, including reuse and disposal of batteries; and

(D) coordinated with ongoing secondary battery use programs at the National Laboratories and industry.

(c) SORITIES.—(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall solicit proposals to demonstrate the secondary use of batteries and associated equipment and supporting infrastructure in geographic locations throughout the United States.

(2) ADDITIONAL SORITIES.—The Secretary may make additional solicitations for proposals if the Secretary determines that the solicitations are necessary to carry out this section.

(d) SELECTION OF PROPOSALS.—(1) IN GENERAL.—Not later than 90 days after the closing date established by the Secretary for receipt of proposals under subsection (c), the Secretary shall select a project that— (A) demonstrates the use of the energy stored in the batteries; and

(B) is coordinated with ongoing secondary battery use programs at the National Laboratories and industry.

(2) FACTORS.—In selecting proposals, the Secretary shall consider— (A) the diversity of battery type; (B) geographic and climatic diversity; and (C) life-cycle environmental effects of the approaches.

(3) LIMITATION.—No 1 project selected under this section shall receive more than 25 percent of the funds made available to carry out the program under this section.
(f) ADVISORY COMMITTEE.—The Secretary shall establish an advisory committee to advise the Secretary on the establishment of Centers under this section. The advisory committee shall be composed of individuals with expertise in the area of advanced energy methods and technologies, including at least 1 representative from—
(1) State or local energy offices;
(2) energy professionals;
(3) trade or professional associations;
(4) architects, engineers, or construction professionals;
(5) manufacturers;
(6) the research community; and
(7) nonprofit energy or environmental organizations.

(h) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated in section 911, there are authorized to be appropriated for each of fiscal years 2007 through 2009 such sums as may be needed for the activities under this section such sums as may be appropriated.

SUBTITLE B—Distributed Energy and Electric Energy Systems

SEC. 921. DISTRIBUTED ENERGY AND ELECTRIC ENERGY SYSTEMS

(a) IN GENERAL.—The Secretary shall carry out programs of research, development, demonstration, and commercial application on distributed energy and electric energy systems, giving priority to new transmission technologies, including activities authorized under this subsection—
(1) $240,000,000 for fiscal year 2007;
(2) $255,000,000 for fiscal year 2008; and
(3) $273,000,000 for fiscal year 2009.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) DISTRIBUTED ENERGY AND ELECTRIC ENERGY SYSTEMS ACTIVITIES.—There are authorized to be appropriated for the Secretary to carry out distributed energy and electric energy systems activities, including activities authorized under this subsection—
A) $240,000,000 for fiscal year 2007; and
B) $273,000,000 for fiscal year 2009.

(2) POWER DELIVERY RESEARCH INITIATIVE.—There are authorized to be appropriated for the Secretary to carry out the Power Delivery Research Initiative under subsection 925(e) such sums as may be necessary for each of fiscal years 2007 through 2009.

(c) MICRO-COGENERATION ENERGY TECHNOLOGY PROGRAM.

From amounts authorized under subsection (b), $25,000,000 for each of fiscal years 2007 and 2008 and 2009 shall be available to carry out activities under section 923.

(d) HIGH-VOLTAGE TRANSMISSION LINES.—From amounts authorized under subsection (b), $2,000,000 for fiscal year 2007 shall be available to carry out demonstration activities under section 923.

SEC. 922. HIGH POWER DENSITY INDUSTRY PRO-GRAN.

(a) IN GENERAL.—The Secretary shall establish an advisory committee to advise the Secretary on the establishment of demonstration, and commercial application to improve the energy efficiency of high power density facilities, including data centers, server farms, and other facilities.

(b) TECHNOLOGIES.—The program shall consider technologies that provide significant improvement in thermal controls, metering, load management, peak load reduction, or the efficient cooling of electronics.

SEC. 923. MICRO-COGENERATION ENERGY TECH-NOLOGY PROGRAM.

(a) IN GENERAL.—The Secretary shall make competitive, merit-based grants to consortia for the development of micro-cogeneration energy technologies, including distributed generation technologies, such as the Secretary considers appropriate.

(b) USES.—The consortia shall explore—
(1) the use of small-scale combined heat and power in residential heating appliances;
(2) the use of excess power to operate other appliances within the residence; and
(3) the supply of excess generated power to the power grid.

SEC. 924. DISTRIBUTED ENERGY TECHNOLOGY DEMONSTRATION PROGRAMS.

(a) COORDINATING CONSORTIA PROGRAM.—The Secretary may provide financial assistance to coordinating consortia of interdisciplinary participants for demonstrations designed to accelerate the use of distributed energy technologies (such as fuel cells, microturbines, reciprocating engines, thermally activated technologies, and combined heat and power systems) in highly energy-intensive commercial applications.

(b) SMALL-SCALE PORTABLE POWER PRO-GRAM.—

(1) IN GENERAL.—The Secretary shall—
(A) establish a research, development, and demonstration program to develop working models of small-scale portable power devices; and
(B) to the fullest extent practicable, identify and utilize the resources of universities that have shown expertise with respect to advanced portable power devices for either civilian or military use.

(2) ORGANIZATION.—The universities identified and utilized under paragraph (1)(B) are authorized to establish a small-scale portable power device.

(c) DEFINITION.—For purposes of this subsection, the term “small-scale portable power device” means a field-deployable portable mechanical or electromechanical system that can be used for applications such as communications, computation, mobility enhancement, weapons systems, optical devices, cooling, sensors, medical devices, and active biological agent detection systems.

SEC. 925. ELECTRICAL TRANSMISSION AND DISTRIBUTION TECHNOLOGIES

SEC. 925. ELECTRICAL TRANSMISSION AND DISTRIBUTION TECHNOLOGIES

(a) PROGRAM.—The Secretary shall establish a comprehensive research, development, and demonstration program to ensure the reliability, efficiency, and environmental integrity of electrical transmission and distribution systems, which shall include—

(1) advanced energy delivery technologies, energy storage technologies, and integrated systems, giving priority to new transmission technologies, including composite conductor materials and other technologies that enhance reliability, operational flexibility, or power-carrying capability;

(2) advanced grid reliability and efficiency technology development;

(3) technologies contributing to significant load reductions;

(4) advanced metering, load management, and control technologies;

(5) technologies to enhance existing grid components;

(6) the development and use of high-tempera-
(9) the development and use of advanced grid design, operation, and planning tools; (10) any other infrastructure technologies, as appropriate; and (11) technologies transfer and education.

(b) PROGRAM PLAN.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in coordination with other appropriate Federal agencies, shall prepare and submit to Congress a 5-year program plan to guide activities under this section.

(2) CONSULTATION.—In preparing the program plan, the Secretary shall consult with—

(A) utilities;
(B) energy service providers;
(C) manufacturers;
(D) institutions of higher education;
(E) other appropriate State and local agencies;
(F) environmental organizations;
(G) professional and technical societies; and
(H) any other persons the Secretary considers appropriate.

(c) IMPLEMENTATION.—The Secretary shall consider implementing the programs under this section using a consortium of participants from industry, academia, and National Laboratories.

(d) REPORT.—Not later than 2 years after the submission of the plan under subsection (b), the Secretary shall submit to Congress a report—

(1) describing the progress made under this section; and
(2) concerning any additional resources needed to continue the development and commercial application of transmission and distribution of infrastructure technologies.

(e) POWER DELIVERY RESEARCH INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on power delivery systems.

(2) GOALS.—The goals of the Initiative shall be—

(A) to establish world-class facilities to develop high temperature superconductivity power applications in partnership with manufacturers and utilities;
(B) to provide technical leadership for establishing reliability for high temperature superconductivity power applications, including suitable modeling and analysis;
(C) to facilitate the commercial transition toward direct current power transmission, storage, and use for high power systems using high temperature superconductivity; and
(D) to integrate the commercial development of very low impedance high temperature superconducting wires and cables in existing electric networks to improve system performance, power flow control, and reliability.

(f) TRANSMISSION AND DISTRIBUTION GRID PLANNING AND OPERATIONS INITIATIVE.—

(1) IN GENERAL.—The Secretary shall establish a research, development, and demonstration initiative specifically focused on tools needed to plan, operate, and expand the transmission and distribution grids in the presence of competitive market mechanisms for energy, load demand, customer response, and ancillary services.

(2) GOALS.—The goals of the Initiative shall be—

(A)(i) to develop and use a geographically distributed center, consisting of institutions of higher education, and National Laboratories, with expertise and facilities to develop the underlying theory and software for power system application; and
(ii) to ensure commercial development in partnership with software vendors and utilities;
(B) to provide technical leadership in engineering and economic analysis for the reliability and efficiency of systems planning and operations in the presence of competitive markets for electricity;
(C) to model, simulate, and experiment with new methods of power flow, and operating practices to understand and optimize those new methods before actual use; and
(D) to provide technical support and technology transfer to electric utilities and other participants in the domestic electric industry and marketplace.

(g) LARGE TRANSMISSION LINES.—As part of the program described in subsection (a), the Secretary shall award a grant to a university research program to design and test, in consultation with other appropriate State and local agencies, a research and test facility capable of testing wind turbines; and

(h) SMALL TRANSMISSION LINES.—To facilitate the integration of very low impedance high temperature superconducting wires and cables in existing electric networks, the Secretary shall conduct research, development, demonstration, and commercial application for geothermal energy technologies, including the combined use of wind power and coal gasification technologies.

(i) SUBTITLE C—RENEWABLE ENERGY

SEC. 931. RENEWABLE ENERGY.

(a) IN GENERAL.

(1) OBJECTIVES.—The Secretary shall conduct programs of renewable energy research, development, demonstration, and commercial application, including activities authorized under this subtitle. Such programs shall take into consideration the following objectives:

(A) Increasing the conversion efficiency of all forms of renewable energy through improved technologies.
(B) Decreasing the cost of renewable energy generation and delivery,
(C) Promoting the diversity of the energy supply.
(D) Decreasing the dependence of the United States on foreign energy supplies.
(E) Improving energy security.
(F) Decreasing the environmental impact of energy-related activities.
(G) Increasing the export of renewable generation equipment from the United States.

(2) PROGRAMS.—

(A) SOLAR ENERGY.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for solar energy, including—

(i) photovoltaics;
(ii) solar hot water and solar space heating;
(iii) concentrating solar power;
(iv) lighting systems that integrate sunlight and electrical lighting in complement to each other in commercial applications described in this purpose of improving energy efficiency;
(v) manufacturability of low cost high quality solar systems; and
(vi) development of products that can be easily integrated into new and existing buildings.

(B) WIND ENERGY.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for wind energy, including—

(i) low speed wind energy;
(ii) offshore wind energy;
(iii) technologies to testifying and operation of a research and testing facility capable of testing wind turbines; and
(iv) distributed wind energy generation.

(C) GEOTHERMAL.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for geothermal energy. The program shall focus on developing improved technologies for developing geothermal energy installations, including—

(i) improving detection of geothermal resources;
(ii) decreasing drilling costs;
(iii) increasing the understanding of reservoir life cycle and management.

(D) HYDROPOWER.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for cost competitive technologies that enable the development of new and incremental hydroelectric capacity, adding to that of the energy supply of the United States, including—

(i) Fish-friendly large turbines.
(ii) Advanced technologies to enhance environmental performance and yield greater energy efficiencies.

(E) MISCELLANEOUS PROJECTS.—The Secretary shall conduct research, demonstration, and commercial applications programs for—

(i) ocean energy, including wave energy;
(ii) the combined use of renewable energy technologies with one another and with other energy technologies, including the combined use of wind power and coal gasification technologies;
(iii) renewable energy technologies for cogeneration of hydrogen and electricity; and
(iv) kinetic hydro turbines.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary to carry out renewable energy research, development, demonstration, and commercial application activities, including activities authorized under this subtitle—

(1) $672,000,000 for fiscal year 2007;
(2) $743,000,000 for fiscal year 2008; and
(3) $852,000,000 for fiscal year 2009.

(c) BIOENERGY.—From the amounts authorized under subsection (b), there are authorized to be appropriated to carry out section 932—

(1) $213,000,000 for fiscal year 2007, of which $100,000,000 shall be for activities under section 932 (d);
(2) $251,000,000 for fiscal year 2008, of which $125,000,000 shall be for activities under section 932 (d); and
(3) $274,000,000 for fiscal year 2009, of which $150,000,000 shall be for activities under section 932 (d).

(d) SOLAR POWER.—From amounts authorized under subsection (b), there is authorized to be appropriated to carry out activities under subsection (a)(2)(A)—

(1) $140,000,000 for fiscal year 2007, of which $40,000,000 shall be for activities under section 935; and
(2) $200,000,000 for fiscal year 2008, of which $50,000,000 shall be for activities under section 935; and
(3) $50,000,000 for fiscal year 2009, of which $50,000,000 shall be for activities under section 935.

(e) ADMINISTRATION.—Of the funds authorized under subsection (c), not more than $5,000,000 for each fiscal year shall be made available for grants to—

(1) part B institutions;
(2) Tribal Colleges or Universities (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b))); and
(3) Hispanic-serving institutions.

(f) RURAL DEMONSTRATION PROJECTS.—In carrying out this section, the Secretary, in consultation with the Secretary of Agriculture, shall demonstrate the use of renewable energy technologies to assist delivering electricity to rural and remote locations including—

(1) advanced wind power technology, including combined use with coal gasification;
(2) biomass; and
(3) geothermal energy systems.

(g) ANALYSIS AND EVALUATION.—
In general.—The Secretary shall conduct analysis and evaluation in support of the renewable energy programs under this subtitle. These activities shall be used to guide budget and program decisions and shall include—

(A) economic and technical analysis of renewable energy potential, including resource assessment;

(B) analysis of past program performance, both in terms of technical advances and in market introduction of renewable energy; and

(C) any other analysis or evaluation that the Secretary considers appropriate.

Funding.—The Secretary may designate up to 1 percent of the funds appropriated for carrying out this subtitle for analysis and evaluation activities under this section.

Bioenergy Program

Definition.—In this section:

(1) Biomass.—The term ‘biomass’ means—

(A) any organic material grown for the purpose of being converted to energy;

(B) any organic byproduct of agriculture (including wastes from food production and processing) that can be converted into energy; or

(C) any waste material that can be converted to energy, is segregated from other waste materials, and is derived from—

(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, brush, or otherwise nonmerchantable material; or

(ii) wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes); and landscape or right-of-way tree trimmings, but not including municipal solid waste, gas derived from the biodegradation of municipal solid waste, or paper that is commonly recycled.

(2) Lignocellulosic Feedstock.—The term ‘lignocellulosic feedstock’ means any organic byproduct of agriculture (including wastes from food production and processing) that can be converted into energy, is segregated from other waste materials, and is derived from—

(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, brush, or otherwise nonmerchantable material; or

(ii) wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes); and landscape or right-of-way tree trimmings, but not including municipal solid waste, gas derived from the biodegradation of municipal solid waste, or paper that is commonly recycled.

(3) Biofuels.—The term ‘biofuels’ means—

(A) the biodegradation of a variety of lignocellulosic feedstocks;

(B) the commercial application of biomass technologies for conversion, including—

(i) liquid transportation fuels;

(ii) high-value bio-based chemicals;

(iii) substances for petroleum-based feedstocks and products; and

(iv) energy in the form of electricity or useful heat; and

(C) the demonstration of the collection and treatment of a variety of biomass feedstocks.

(2) Provisions.—Not later than 6 months after the date of enactment of this Act, the Secretary shall solicit proposals for demonstration of advanced biorefineries. The Secretary shall select only proposals that—

(A) demonstrate that the project will be able to operate profitably without direct Federal subsidy after initial construction costs are paid; and

(B) enable the biorefinery to be easily replicated.

University Biodiesel Program

The Secretary shall—

(1) assess conflicting guidance on the economic potential of concentrating solar power for electricity production received from the National Research Council in the report entitled ‘Renewable Power Pathways:archivo of the U.S. Department of Energy’s Renewable Energy Programs’ and dated 2000 and subsequent reviews of that report funded by the Department; and

(2) provide an assessment of the potential impact of technology used to concentrate solar power for electricity before, or concurrent with, submission of the budget for fiscal year 2008.

Renewable Energy in Public Buildings

The Secretary shall—

(1) establish a research, development, and demonstration program to determine the feasibility of using hydrogen propulsion in light-weight vehicles and in the integration of the associated hydrogen production infrastructure using off-the-shelf components; and

(2) identify universities and institutions that—

(A) have expertise in researching and testing vehicles fueled by hydrogen, methane, and other fuels;

(B) have expertise in integrating off-the-shelf components to minimize cost; and

(C) within 2 years can test a vehicle based on an existing commercially available platform with a curb weight of not less than 2,000 pounds before modifications, that—

(i) operates solely on hydrogen;

(ii) qualifies as a light-duty passenger vehicle; and

(iii) uses hydrogen produced from water using only solar energy.

(3) University Biodiesel Program

The Secretary shall—

(1) by striking paragraphs (2), (9), and (10); and

(2) BIOBASED FUEL.—The term ‘biobased fuel’ means—

(A) any product (including animal feed and electric power) derived from biomass, or a commercial or industrial product derived from biomass, that is derived from—

(i) renewable biomass; or

(ii) a biobased product.

(3) BIODIESEL.—The term ‘biobased fuel’ means—

(A) any product (including animal feed and electric power) derived from biomass, or a commercial or industrial product derived from biomass, that is derived from—

(i) renewable biomass; or

(ii) a biobased product.

(4) BIODIESEL FUELS.—The term ‘biobased fuel’ means—

(A) any product (including animal feed and electric power) derived from biomass, or a commercial or industrial product derived from biomass, that is derived from—

(i) renewable biomass; or

(ii) a biobased product.
“(6) DEMONSTRATION.—The term ‘demonstration’ means demonstration of technology in a pilot plant or semi-works scale facility;”;

and

(b) by striking paragraph (9) (as redesignated by paragraph (A)) and inserting the following:

“(9) NATIONAL LABORATORY.—The term ‘National Laboratory’ has the meaning given that term in section 2 of the Energy Policy Act of 2005.”

(b) COOPERATION AND COORDINATION IN BIOMASS RESEARCH AND DEVELOPMENT.—Section 304 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsections (a) and (d), by striking “industrial products” each place it appears and inserting “industrial products and biofuels”;

(2) by redesigning subsections (b) and (c); and

(3) by redesigning subsection (d) as subsection (c).

(c) BIOMASS RESEARCH AND DEVELOPMENT BOARD.—Section 305 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsections (a) and (c), by striking “industrial products” each place it appears and inserting “industrial products and biofuels”;

(i) to enhance the environmental and public health; and

(ii) to diversify markets for raw agricultural and forestry products.

(d) TECHNICAL AREAS.—To advance the objectives and purposes of the Initiative, the Secretary of Agriculture and the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and heads of other appropriate departments and agencies (referred to in this section as the ‘Secretaries’), shall direct research and development toward—

(1) feedstock production through the development of crops and cropping systems relevant to production of raw materials for conversion to biofuels and biobased products, including—

(A) development of advanced and dedicated crops using bioenergy crops by including enhanced productivity, broader site range, low requirements for chemical inputs, and enhanced processing;

(B) advanced crop production methods to achieve the features described in subparagraph (A);

(C) feedstock harvest, handling, transport, and storage; and

(D) strategies for integrating feedstock production into existing managed land.

(2) overcoming technological barriers to converting cellulosic biomass through developing technologies for converting cellulosic biomass into intermediates that can subsequently be converted into biofuels and biobased products, including—

(A) pretreatment in combination with enzymatic or microbial hydrolysis; and

(B) thermochemical approaches, including gasification and pyrolysis;

(3) product diversification through technology development and demonstration of a range of biobased products (including chemicals, animal feeds, and cogenerators) that eventually can increase the feasibility of fuel production in a biorefinery.

(C) product recovery;

(D) power production technologies; and

(E) integration into existing biomass processing facilities, including starch ethanol plants, paper mills, and power plants; and

(4) analysis that provides strategic guidance for the application of biomass technologies in conjunction with real-world implications for sustainable and environmental quality, cost effectiveness, security, and rural economic development, usually featuring system-wide approaches.

(5) ADDITIONAL CONSIDERATIONS.—Within the technical areas described in subsection (d), and in addition to advancing the purposes described in subsection (c) and the objectives described in subsection (b), the Secretaries shall support research and development—

(1) to create continuously expanding opportunities for participants in existing biofuels production by seeking synergies and continuity with current technologies and practices, such as the use of dried distillers grains as a bridge feedstock;

(2) to maximize the environmental, economic, and social benefits of production of biofuels and biobased products on a large scale through life-cycle economic and environmental analysis and other means; and

(3) to assess the potential of Federal land and water management areas as feedstock and/or biobased products, consistent with the integrity of soil and water resources and with other environmental considerations.

(6) ELIGIBLE ENTITIES.—To be eligible for a grant, contract, or assistance under this section, an applicant shall be—

(1) an institution of higher education;

(2) a National Laboratory;

(3) a Federal research agency;

(4) a State research agency;

(5) a private sector entity; and

(6) a nonprofit organization; or

(7) a consortium of 2 of more entities described in paragraphs (1) through (6).

(g) ADMINISTRATION.—

(1) IN GENERAL.—After consultation with the Board, the points of contact shall—

(A) publish annually 1 or more joint requests for proposals for grants, contracts, and assistance under this section;

(B) require that grants, contracts, and assistance under this section be awarded competitively, on the basis of merit, after the establishment of procedures that provide for scientific peer review by an independent panel of scientific and technical peers; and

(C) give some preference to applications that—

(i) involve a consortia of experts from multiple institutions;

(ii) encourage the integration of disciplines and application of the best technical resources; and

(iii) increase the geographic diversity of demonstration projects.

(2) DISTRIBUTION OF FUNDING BY TECHNICAL AREA.—Of the funds authorized to be appropriated for activities described in this section, funds shall be distributed for each of fiscal years 2003 through 2007, as to achieve an approximate distribution of—

(A) 20 percent of the funds to carry out activities for feedstock production under subsection (d)(1); and

(B) 45 percent of the funds to carry out activities for overcoming recalcitrance of cellulosic biomass under subsection (d)(2); and

(C) 30 percent of the funds to carry out activities for product diversification under subsection (d)(3); and

(D) 5 percent of the funds to carry out activities for strategic guidance under subsection (d)(4).

(3) DISTRIBUTION OF FUNDING WITHIN EACH TECHNICAL AREA.—Within each technical area described in paragraphs (1) through (3) of subsection (d), funds shall be distributed for each of
fiscal years 2007 through 2010 so as to achieve an approximate distribution of—
(A) 15 percent of the funds for applied fundamentals;
(B) 35 percent of the funds for innovation; and
(C) 50 percent of the funds for demonstration.

(4) MATCHING FUNDS.—
(A) IN GENERAL.—A minimum 20 percent funding match shall be required for demonstration projects under this title.
(B) COMMERCIAL APPLICATIONS.—A minimum of 50 percent funding match shall be required for commercial application projects under this title.

(5) TECHNOLOGY AND INFORMATION TRANSFER TO AGRICULTURAL USERS.—The Administrator of the Cooperative State Research, Education, and Extension Service and the Chief of the Natural Resources Conservation Service shall ensure that applicable research results and technologies from the Initiative are adapted, made available, and disseminated through these services, as appropriate.

(f) ANNUAL REPORTS.—Section 309 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsection (b)—
(A) in paragraph (1)—
(i) in subsection (A), by striking “purposes described in section 307(b)” and inserting “objectives, purposes, and additional considerations described in subsections (b) through (e) of section 307”;
(ii) in subparagraph (B), by striking “and” at the end;
(iii) by redesignating subparagraph (C) as subparagraph (D); and
(iv) by inserting after subparagraph (B) the following:

(2) the purposes of the program described in paragraphs (2) and (3) of section 307(g); and

(B) in paragraph (2), by striking “industrial products” and inserting “fuels and biobased products”;

(2) by adding at the end the following:

(c) UPDATES.—The Secretary and the Secretary of Energy shall update the Vision and Roadmap documents prepared for Federal biomass research and development activities.”.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 311 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended by striking “title $54,000,000 for each of fiscal years 2002 through 2007” and inserting “title $290,000,000 for each of fiscal years 2006 through 2015”.

(h) REPEAL OF SUNSET PROVISION.—Section 311 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is repealed.

SEC. 942. PRODUCTION INCENTIVES FOR CELLULOSIC BIOFUELS.

(a) PURPOSE.—The purpose of this section is to—

(1) accelerate deployment and commercialization of cellulosic biofuels;

(2) deliver the first 1,000,000,000 gallons in annual cellulosic biofuels production by 2015;

(3) ensure biofuels produced after 2015 are cost competitive with gasoline and diesel; and

(4) ensure that small feedstock producers and rural small businesses are full participants in the development of the cellulosic biofuels industry.

(b) DEFINITIONS.—In this section:

(1) CELLULOSIC BIOFUELS.—The term “cellulosic biofuels” means any fuel that is produced from cellulosic feedstocks.

(2) ELIGIBLE ENTITY.—The term “eligible entity” means a producer of fuel from cellulosic biofuels the production facility of which—

(A) is located in the United States;

(B) meets all applicable Federal and State permitting requirements; and

(c) meets any financial criteria established by the Secretary.

(c) PROGRAM.—

(1) ESTABLISHMENT.—The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Defense, and the Administrator of the Environmental Protection Agency, shall establish an incentive program for the production of cellulosic biofuels.

(2) BASIS OF INCENTIVES.—Under the program, the Secretary shall award production incentives on a per gallon basis of cellulosic biofuels from eligible entities, that—

(A) set payments per gallon of cellulosic biofuels produced in an amount determined by the Secretary, until initiation of the first reverse auction; and

(B) reverse auction thereafter.

(3) FIRST REVERSE AUCTION.—The first reverse auction shall be held on the earlier of—

(A) not later than 1 year after the first year of annual production in the United States of 100,000,000 gallons of cellulosic biofuels, as determined by the Secretary; or

(B) not later than 3 years after the date of enactment of this Act.

(d) LIMITATIONS.

(1) AWARD OF INCENTIVES.—An eligible entity selected by the Secretary through a reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced by the entity during the first 6 years of operation.

(2) DETERMINATION OF INCOME.—In determining the income of any eligible entity that is associated with the distribution of cellulosic biofuels in the United States for each calendar year, the Secretary shall—

(A) consider the income of any subsidiary or affiliated company of such eligible entity; and

(B) include in such determination the income of any other eligible entity that is associated with the distribution of cellulosic biofuels in the United States for each calendar year.

(e) ELIGIBLE USES.—The Secretary may establish an eligible use for the production of cellulosic biofuels, which may include—

(1) meeting energy needs of the United States;

(2) providing a low-carbon substitute for other fossil fuels; and

(3) reducing greenhouse gas emissions.

(f) ELIGIBILITY.—Eligible entities shall be certified by the Secretary.

(g) ADMINISTRATION.—The Secretary shall administer the program established under this section.

(h) REPEAL OF SUNSET PROVISION.—The provision that the program established under this section shall be terminated 10 years after the date of enactment appears (other than in subsections (f) and (g)) as follows:

(1) by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively; and

(2) by inserting after paragraph (7) the following:

‘‘(8) AGENCY.—The term ‘procuring agency’ means—

(A) any Federal agency that is using Federal funds for procurement; and

(B) any person contracting with any Federal agency with respect to work performed under the contract.”.

Sec. 943. PROCUREMENT OF BIOMASS PRODUCERS.

(a) FEDERAL PROCUREMENT.—

(1) IN GENERAL.—The Secretary of Agriculture, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall—

(A) by redesigning paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively; and

(B) by inserting after paragraph (7) the following:

‘‘(8) AGENCY.—The term ‘procuring agency’ means—

(A) any Federal agency that is using Federal funds for procurement; and

(B) any person contracting with any Federal agency with respect to work performed under the contract.”.

(b) REPEAL.—Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended—

(1) by striking ‘‘Federal agency’’ each place it appears (other than in subsections (f) and (g)) and inserting ‘‘procuring agency’’;

(2) in subsection (c)(2)—

(A) by striking ‘‘(2)’’ and all that follows through ‘‘Notwithstanding’’ and inserting the following:

‘‘(2) FLEXIBILITY.—Notwithstanding’’;

(B) by striking ‘‘an agency’’ and inserting ‘‘a procuring agency’’; and

(C) by striking ‘‘the agency’’ and inserting ‘‘the procuring agency’’;

(3) in subsection (d), by striking ‘‘procured by Federal agencies’’ and inserting ‘‘procured by procuring agencies’’;

(4) in subsection (f), by striking ‘‘Federal agencies’’ and inserting ‘‘procuring agencies’’;

(c) CAPITOL COMPLEX PROCUREMENT.—

Section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102) is amended by adding a new subsection (a)(2) as follows:

(1) by redesigning subsection (i) as subsection (k); and

(2) by inserting after subsection (i) the following:

‘‘(j) INCLUSION.—Not later than 90 days after the date of enactment of the Energy Policy Act of 2005, the Administrator of the Architect of the Capitol, the Sergeant at Arms of the Senate, and the Chief Administrative Officer of the House of Representatives shall establish procedures that apply the requirements of this section to procurement for the Capitol Complex.”.

(d) EDUCATION.—

(1) IN GENERAL.—The Architect of the Capitol shall establish in the Capitol Complex a program of public education regarding use by the Architect of the Capitol of biobased products.

(2) PURPOSE.—The purposes of the program shall be—

(A) to establish the Capitol Complex as a showcase for the existence and benefits of biobased products; and

(B) to provide access to further information on biobased products to occupants and visitors.

(e) PROCUREMENT.—Requirements issued under the amendments made by subsection (b) shall be made in accordance with directives issued by the Committee on Rules and Administration of the Senate, the Committee on Appropriations of the House of Representatives, and the Committee on House Administration of the House of Representatives.

SEC. 944. SMALL BUSINESS BIOPRODUCT MARKETING AND CERTIFICATION GRANTS.

(a) IN GENERAL.—Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the ‘‘Secretary’’) shall make available on a competitive basis grants to eligible entities described in subsection (b) for the biobased product marketing
and certification purposes described in subsection (c).

(b) ELIGIBLE ENTITIES.—(1) IN GENERAL.—An entity eligible for a grant under this section shall be any manufacturer of biobased products that—

(A) proposes to use the grant for the biobased product marketing and certification purposes described in subsection (a), and

(B) has not previously received a grant under this section.

(2) ELIGIBLE MARKET—In making grants under this section, the Secretary shall provide a preference to an eligible entity that has fewer than 50 employees

(c) BIOBASED PRODUCT MARKETING AND CERTIFICATION GRANT PURPOSES.—A grant made under this section shall be used—

(1) to provide working capital for marketing of biobased products, and

(2) to provide for the certification of biobased products to—

(A) qualify for the label described in section 9002(1)(d) of the Federal Farm and Rural Investment Act of 2002 (7 U.S.C. 8102(h)(1)); or

(B) meet other biobased standards determined appropriate by the Secretary.

(d) MATCHING FUNDS.—(1) IN GENERAL.—Grant recipients shall provide matching non-Federal funds equal to the amount of the grant.

(2) EXPENDITURE.—Matching funds shall be expended in advance of grant funding, so that for every dollar of grant that is advanced, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) AMOUNT.—A grant made under this section shall not exceed $100,000.

(f) ADMINISTRATION.—The Secretary shall establish such administrative requirements for grants under this section, including requirements for the grants, as the Secretary considers appropriate.

(g) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section as the Secretary considers appropriate.

(h) AUTHORIZED FUNDS FOR NUCLEAR POWER PLANTS.—An entity eligible for a grant under this section is any manufacturer of

(A) use of the expertise and capabilities of independent research organizations and scientists to address the economic and technical issues that must be overcome to ensure the development and deployment of nuclear power.

(g) A UTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each of fiscal years 2007 through 2015.

SEC. 946. BIOBASED PRODUCT AND HARVESTING DEMONSTRATION GRANTS.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the ‘‘Secretary’’) shall make grants to eligible entities described in subsection (b) for the purposes described in subsection (c), for—

(1) preprocessing of feedstocks, including cleaning, separating and sorting, mixing or blending, and chemical or biochemical treatments, to add value and lower the cost of feedstock or other feedstock processing at a biorefinery; or

(2) 1-pass or other efficient, multiple crop harvesting techniques.

(b) LIMITATIONS ON GRANTS.—(1) NUMBER OF GRANTS.—Not more than 5 demonstration projects per fiscal year shall be funded under this section.

(2) NON-FEDERAL COST SHARE.—The non-Federal cost share of a project under this section shall not be less than 20 percent, as determined by the Secretary.

(c) CONDITION OF GRANT.—(1) To be eligible for a grant under this section, a recipient of a grant or a participating entity shall agree to use the material harvested under the project—

(A) to produce ethanol; or

(B) for another energy purpose, such as the generation of electricity.

(2) AUTHORIZATION FOR APPROPRIATIONS.—There is authorized to be appropriated—

(1) $5,000,000 for each of fiscal years 2006 through 2010.

SEC. 947. EDUCATION AND OUTREACH.

(a) IN GENERAL.—The Secretary of Agriculture shall establish, within the Department of Agriculture, a program of education and outreach on biobased fuels and biobased products consisting of—

(1) training and technical assistance programs for feedstock producers to promote producer ownership, investment, and participation in the operation of processing facilities; and

(2) public education and outreach to familiarize consumers with the biobased fuels and biobased products.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010.

SEC. 948. REPORTS.

(a) BIOBASED PRODUCT POTENTIAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) describes the economic potential for the United States of the widespread production and use of commercial and industrial biobased products through calendar year 2025; and

(2) as the maximum extent practicable, identifies the economic potential by product area.

(b) ANALYSIS OF ECONOMIC INDICATORS.—Not later than 5 years after the date of enactment of this Act, the Secretary shall submit to Congress an analysis of economic indicators of the biobased economy.

Subtitle E—Nuclear Energy

SEC. 951. NUCLEAR ENERGY.

(a) IN GENERAL.—The Secretary shall conduct programs of civilian nuclear energy research, development, demonstration, and commercial application, including activities described in this subtitle. Programs under this subtitle shall take into consideration the following objectives:

(1) To enhance nuclear energy as part of the United States energy portfolio.

(2) To provide the technical means to reduce the likelihood of nuclear proliferation.

(3) To maintain a cadre of nuclear scientists and engineers.

(4) To maintain National Laboratory and university nuclear programs, including their infrastructure.

(5) To support both individual researchers and multidisciplinary teams of researchers to test new approaches in nuclear energy, science, and technology.

(6) To develop, planning, constructing, acquiring, and operating special equipment and facilities for the use of researchers.

(7) To support technology transfer and other appropriate activities to assist the nuclear energy research community, and other users of nuclear science and engineering, including activities addressing reliability, availability, productivity, component aging, safety, and security of nuclear power plants.

(8) To reduce the environmental impact of nuclear energy-related activities.

(b) AUTHORIZATION OF APPROPRIATIONS FOR COOPERATIVE RESEARCH PROGRAMS.—There are authorized to be appropriated to the Secretary to carry out nuclear energy research, development, demonstration, and commercial application activities, including activities authorized under this subtitle, other than those described in subsection (c)—

(1) $330,000,000 for fiscal year 2007;

(2) $355,000,000 for fiscal year 2008; and

(3) $455,000,000 for fiscal year 2009.

(c) NUCLEAR INFRASTRUCTURE AND FACILITIES.—There are authorized to be appropriated to the Secretary to carry out activities under section 555—

(1) $135,000,000 for fiscal year 2007;

(2) $149,000,000 for fiscal year 2008; and

(3) $152,000,000 for fiscal year 2009.

(d) ALLOCATIONS.—From amounts authorized under subsection (a), the following sums are authorized:

(1) For activities under section 553—

(A) $150,000,000 for fiscal year 2007;

(B) $155,000,000 for fiscal year 2008; and

(C) $275,000,000 for fiscal year 2009.

(2) For activities under section 554—

(A) $43,500,000 for fiscal year 2007;

(B) $59,100,000 for fiscal year 2008; and

(C) $56,500,000 for fiscal year 2009.

(3) For activities under section 557, $6,000,000 for each of fiscal years 2007 through 2009.

SEC. 555. LIMITATION ON AUTHORIZATION.—This authorization under this section may be used to decommission the Fast Flux Test Facility.

SEC. 952. NUCLEAR ENERGY RESEARCH PROGRAMS.

(a) NUCLEAR ENERGY RESEARCH INITIATIVE.—The Secretary shall carry out a Nuclear Energy Research Initiative for research and development related to nuclear energy.

(b) NUCLEAR ENERGY SYSTEMS SUPPORT PROGRAM.—The Secretary shall carry out a Nuclear Energy Systems Support Program to support research and development activities addressing reliability, availability, productivity, component aging, safety, and security of existing nuclear power plants.

(c) NUCLEAR POWER 2010 PROGRAM.—(1) IN GENERAL.—The Secretary shall carry out a Nuclear Power 2010 Program, consistent with recommendations of the Nuclear Energy Research Advisory Committee of the Department in the report entitled ‘‘A Roadmap to Deploy New Nuclear Power Plants in the United States by 2030’’ and dated October 2001.

(2) ADMINISTRATION.—The Program shall include—

(A) use of the expertise and capabilities of institutions of higher education, and National Laboratories in evaluation of advanced nuclear fuel cycles and fuels testing;
(B) consideration of a variety of reactor designs suitable for both developed and developing nations;
(C) participation of international collaborators in research, development, and design efforts, as appropriate; and
(D) encouragement for participation by institutions of higher education and industry.

(6) GENERATION IV NUCLEAR ENERGY SYSTEMS INITIATIVE.—

(1) IN GENERAL.—The Secretary shall carry out a Generation IV Nuclear Energy Systems Initiative to develop an overall technology plan for and to support research and development necessary to make an informed technical decision about the most promising candidates for eventual commercial application.

(2) ADMINISTRATION.—In conducting the Initiative, the Secretary shall examine advanced proliferation-resistant and passively safe reactor designs, including designs that—

(A) are economically competitive with other electric power generation plants;
(B) achieve higher efficiency, lower cost, and improved safety compared to reactors in operation on the date of enactment of this Act;
(C) use fuels that are proliferation resistant and have substantially reduced production of high-level waste and/or used fuel; and
(D) use improved instrumentation.

(e) REACTOR PRODUCTION OF HYDROGEN.—In this section, the term "fueled reactors" means designs for high-temperature reactors capable of producing large-scale quantities of hydrogen.

† Sec. 954. UNIVERSITY NUCLEAR SCIENCE AND ENGINEERING SUPPORT

(a) IN GENERAL.—The Secretary shall conduct a program to invest in human resources and infrastructure in the nuclear sciences and related fields, including health physics, nuclear engineering, and radiochemistry, consistent with missions of the Department related to civilian nuclear research, development, demonstration, and commercial application.

(b) REQUIREMENTS.—In carrying out the program under this section, the Secretary shall—

(1) conduct a graduate and undergraduate fellowship program to attract new and talented students, which may include fellowships for students to spend time at National Laboratories in the areas of nuclear science, engineering, and health physics, at a member of the National Laboratory staff acting as a mentor;
(2) conduct a junior faculty research initiation grant program to assist universities in recruiting new faculty in the nuclear sciences and engineering by awarding grants to junior faculty for research on issues related to nuclear energy engineering and science;
(3) support fundamental nuclear sciences, engineering, and health physics research through support for university-based nuclear engineering education and research programs;
(4) encourage collaborative nuclear research among industry, National Laboratories, and universities;
(5) support communication and outreach related to nuclear science, engineering, and health physics.

(6) UNIVERSITY-NATIONAL LABORATORY INTERACTIONS.—The Secretary shall conduct—

(1) a fellowship program for professors at universities to spend sabbaticals at National Laboratories in the areas of nuclear science and technology; and
(2) a visiting scientist program in which National Laboratory staff can spend time in academic nuclear science and engineering departments.

(f) STRENGTHENING UNIVERSITY RESEARCH AND TRAINING REACTORS AND ASSOCIATED INFRASTRUCTURE.—In carrying out the programs under this section, the Secretary shall—

(1) consider the availability and performance of research and training reactors now operating and their potential contributions to research in the nuclear sciences and engineering.
(2) establish, improve, and maintain training and research reactors to support education and training at universities.

(g) OPERATIONS AND MAINTENANCE.—In carrying out the programs under this section, the Secretary shall—

(1) the safety of nuclear facilities from natural phenomena; and
(2) the security of nuclear facilities from deliberate attacks.

† Sec. 957. ALTERNATIVES TO INDUSTRIAL RADIOACTIVE SOURCES

(a) SURVEY.—

(1) IN GENERAL.—Not later than August 1, 2006, the Secretary shall submit to Congress the results of a survey of industrial applications of large radioactive sources.

(b) IN GENERAL.—The survey shall—

(1) consider well-logging sources as 1 class of industrial sources;
(2) include information on current domestic and international Department, Department of Defense, State Department, and commercial programs to manage and dispose of radioactive sources; and
(3) analyze available disposal options for currently deployed or future sources and, if deficiencies are noted for either deployed or future sources, recommend legislative options that Congress may consider to remedy identified deficiencies.

(b) PLAN.—

(1) IN GENERAL.—In conjunction with the survey conducted under subsection (a), the Secretary shall develop a plan to develop alternatives to sources described in subsection (a) that reduce safety, environmental, or proliferation risks to either workers using the sources or the public.

(2) ACCELERATORS.—The plan shall include measures such as portable particle accelerators for well-logging or other industrial applications and portable accelerators for production of short-lived radioactive materials at industrial sites that is comparable to that considered as part of the research and development efforts.

(3) REPORT.—Not later than August 1, 2006, the Secretary shall submit to Congress a report describing the details of the plan.

Subtitle F—Fossil Energy

† Sec. 961. FOSSIL ENERGY

(a) IN GENERAL.—The Secretary shall carry out research, development, demonstration, and
commercial application programs in fossil energy, including activities under this subtitle, with the goal of improving the efficiency, effectiveness, and environmental performance of fossil energy, conversion, generation, and consumption. Such programs shall include the following activities:

1. Increasing the energy conversion efficiency of all stages of fossil energy through improved technologies.
2. Decreasing the cost of all fossil energy production, generation, and delivery.
3. Developing and applying energy supply tools.
4. Decreasing the dependence of the United States on foreign energy supplies.
5. Enhancing United States energy security.
6. Decreasing the environmental impact of related activities.
7. Increasing the export of fossil energy-related equipment, technology, and services from the United States.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary to carry out fossil energy research, development, demonstration, and commercial applications: Activities authorized under this section are:

1. $601,000,000 for fiscal year 2007;
2. $626,000,000 for fiscal year 2008; and
3. $641,000,000 for fiscal year 2009.

(c) Limitations.—From amounts authorized under subsection (a), the following amounts are authorized:

1. For activities under section 962—
   (A) $375,000,000 for fiscal year 2007;
   (B) $375,000,000 for fiscal year 2008; and
   (C) $314,000,000 for fiscal year 2009.
2. For the Office of Arctic Energy under section 965—
   (A) $20,000,000 for fiscal year 2007;
   (B) $25,000,000 for fiscal year 2008; and
   (C) $30,000,000 for fiscal year 2009.
3. For the Office of Coal under section 962—
   (A) $1,500,000 for fiscal year 2007; and
   (B) $450,000 for each of fiscal years 2008 and 2009.
5. Extended Authorization.—There are authorized to be appropriated to the Secretary for the Office of Arctic Energy established under section 3197 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (42 U.S.C. 7145A) $25,000,000 for each of fiscal years 2010 through 2012.
6. Limitations.—(1) USES.—None of the funds authorized under this subsection may be used for Fossil Energy Environmental Restoration or Import/Export Authorization.
7. Institutions of Higher Education.—Of the funds authorized under subsection (c)(2), not less than 20 percent of the funds appropriated for each fiscal year shall be dedicated to research and development carried out at institutions of higher education.

SEC. 962. COAL AND RELATED TECHNOLOGIES PROGRAM

(a) In General.—In addition to the programs authorized under the previous subtitles, the Secretary shall conduct a program of technology research, development, demonstration, and commercial application for coal and power systems, including programs that address the production and generation of coal-based power through—

1. Innovations for existing plants (including mercury removal);
2. Gasification systems;
3. Advanced combustion systems;
4. Turbines for synthesis gas derived from coal;
5. Carbon capture and sequestration research and development;
6. Coal-derived chemicals and transportation fuels;
7. Liquids fuels derived from low rank coal water slurry;
8. Solid fuels and feedstocks;
9. Advanced coal-related research; and
10. Advanced separation technologies; and
11. Fuel cells for the operation of syntheses gas derived from coal.

(b) Cost and Performance Goals.—

1. In General.—In carrying out programs authorized by this section during each of calendar years 2008, 2010, 2012, and 2016, and during each fiscal year beginning after September 30, 2001, the Secretary shall identify cost and performance goals for coal-based technologies that would permit the continued cost-competitive use of coal for the production of electricity, chemical feedstocks, and transportation fuels.
2. Unambiguous cost and performance goals for the technologies that include—
   (i) coal producers;
   (ii) industries using coal;
   (iii) organizations that promote coal and advanced coal technologies;
   (iv) environmental organizations;
   (v) organizations representing workers; and
   (vi) organizations representing consumers;
3. Not later than the date of enactment of this Act, publish in the Federal Register proposed draft cost and performance goals for public comments; and
4. Not later than 120 days after the date of enactment of this Act, and every 4 years thereafter, submit to Congress a report describing the final cost and performance goals for the technologies that include—
   (i) a list of technical milestones; and
   (ii) an explanation of how programs authorized in this section will not duplicate the activities authorized under the Coal Power Initiative authorized under title IV.
5. Powder River Basin and Fort Union Lignite Coal Mercury Removal.

(a) In General.—The Secretary shall conduct a program of research, development, demonstration, and commercial application on fuel cells for low-cost, high-efficiency, fuel-flexible, modular power systems.
6. demonstrations.—The demonstrations referred to in paragraph (1) shall include solid oxide fuel cell technology for commercial, residential, and transportation applications, and distributed generation systems, using improved manufacturing production and processes.

SEC. 963. CARBON CAPTURE RESEARCH AND DEVELOPMENT PROGRAM

(a) In General.—The Secretary shall carry out a 10-year carbon capture research and development program to develop carbon dioxide capture technologies on combustion-based systems for use—

1. In new coal utilization facilities; and
2. On the fleet of coal-based units in existence on the date of enactment of this Act.

(b) Objectives.—The objectives of the program under subsection (a) shall be—

1. To develop carbon dioxide capture technology with lower growth and use of resources available in Federal and State waters off the coast of Louisiana, Texas, Alabama, and Mississippi.
2. To develop technologies that would directly produce concentrated streams of carbon dioxide potentially amenable to sequestration.
3. To increase the efficiency of the overall system to reduce the quantity of carbon dioxide emissions released from the system per megawatt generated; and
4. In accordance with the carbon dioxide capture program, to promote a robust carbon sequestration program and continue the work of the Department, in conjunction with the private sector, through regional carbon sequestration partnerships.

SEC. 964. RESEARCH AND DEVELOPMENT FOR COAL MINING TECHNOLOGIES

(a) Establishment.—The Secretary shall carry out a program for research and development on coal mining technologies.

(b) Cooperation.—In carrying out the program, the Secretary shall cooperate with appropriate Federal, State, and local governments, and other appropriate entities.

SEC. 965. OIL AND GAS RESEARCH PROGRAMS

(a) In General.—The Secretary shall conduct a program of research, development, demonstration, and commercial application of oil and gas, including—

1. Exploration and production;
2. Gas hydrates;
3. Reservoir life and extension;
4. Transportation and distribution infrastructure;
5. Ultraclean fuels;
6. Heavy oil, oil shale, and tar sands; and
7. Related environmental research.

(b) Objectives.—The objectives of this program shall include advancing the science and technology available to domestic petroleum producers, particularly independent operators, to minimize the economic dislocation caused by the decline of domestic supplies of oil and natural gas resources.

(c) Natural Gas and Oil Deposits Report.—Not later than 2 years after the date of enactment of this Act and every 2 years thereafter, the Secretary shall submit to Congress a report on the latest estimates of natural gas and oil resources, reserves growth, and uses of resources in Federal and State waters of the coast of Louisiana, Texas, Alabama, and Mississippi.
and management of data with a geographic information system that facilitates the organization and commercialization of economic, environmental, and other information.

(2) Reduction in emissions from power generation.

(3) Promotion of energy conservation efforts.

(4) Effectively using alternative fuels and renewable energy.

(5) Development of advanced materials technologies for oil and gas exploration and use in harsh environments.

(6) Education on energy and power generation issues.

SEC. 966. LOW-VOLUME OIL AND GAS RESERVOIR RESEARCH PROGRAM.

(a) DEFINITIONS.—In this section, the term ‘GIS’ means geographic information systems technology that facilitates the organization and management of data with a geographic component.

(b) PROGRAM.—The Secretary shall establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.

(c) DATA COLLECTION.—Under the program, the Secretary shall collect data on—

(1) the status and location of marginal wells and oil and gas reservoirs;

(2) the production capacity of marginal wells and oil and gas reservoirs;

(3) the location of low-pressure gathering facilities and pipelines; and

(4) the quantity of natural gas vented or flared in association with crude oil production.

(d) ANALYSIS.—Under the program, the Secretary shall—

(1) estimate the remaining producible resources based on variable pipeline pressures; and

(2) recommend measures that will enable the continued production of those resources.

(e) STUDY.—The Secretary may award a grant to the Geological Survey of States that contain significant numbers of marginal wells and natural gas wells to conduct an annual study of low-volume natural gas reservoirs.

(f) GASEOUS HYDROCARBONS.—If an organization receiving a grant under paragraph (1) does not have GIS capabilities, the organization shall contract with an institution of higher education with GIS capabilities.

(g) STATE GEOLOGISTS.—The organization receiving a grant under paragraph (1) shall collaborate with the State geologist of each State being studied.

(h) PUBLIC INFORMATION.—The Secretary may use the data collected and analyzed under this section to produce maps and literature to disseminate to States to promote conservation of natural gas reserves.

SEC. 967. COMPLEX WELL TECHNOLOGY TESTING FACILITY.

The Secretary, in coordination with industry leaders in extended research drilling technology, shall establish a Complex Well Technology Testing Facility at the Rocky Mountain Oilfield Testing Center to increase the range of extended drilling technologies.

SEC. 968. METHANE HYDRATE RESEARCH.

(a) IN GENERAL.—The Methane Hydrate Research and Development Program shall be carried out under the guidance of the Secretary, in consultation with the Director of the United States Geological Survey and the Director of the Minerals Management Service.

(b) SEC. 4. METHANE HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.

(1) COMMENCEMENT OF PROGRAM.—Not later than 90 days after the date of enactment of the Energy Research, Development, Demonstration and Commercial Application Act of 2000, the Secretary shall—

(2) SEC. 5. CHARTING THE FUTURE OF METHANE HYDRATE RESEARCH IN THE UNITED STATES.

(3) SEC. 6. ESTABLISHMENT OF THE UNITED STATES METHANE HYDRATE RESEARCH CENTER.

(4) SEC. 7. RESEARCH, DEVELOPMENT, AND COMMERCIAL APPLICATION.

(5) SEC. 8. INTEGRATED CLEAN POWER AND ENERGY RESEARCH PROGRAM.

(6) SEC. 9. METHANE HYDRATE RESEARCH AND DEVELOPMENT ACT.
“(i) an assessment of the methane hydrate research program; and

“(ii) an assessment of the 5-year research plan of the Department of Energy.

“(c) CONFLICTS OF INTEREST.—In appointing each member of the advisory panel established under paragraph (1), the Secretary shall ensure, to the maximum extent practicable, that the appointment of the member does not pose a conflict of interest with respect to the duties of the member under this Act.

“(3) MEETINGS.—The advisory panel shall—

“(A) meet at least once prior to September 30, 2007; and

“(B) meet biennially thereafter.

“(d) COORDINATION.—The advisory panel shall coordinate activities with the Department of Energy, appropriate Federal agencies, and other Federal, State, and local agencies, including—

“(1) anything related to methane hydrate resources, including activities described in this subtitle; the programs shall include support for facilities, and the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

“(2) undertake programs to develop basic information necessary for promoting long-term interest in methane hydrate resources as an energy source;

“(3) ensure that the data and information developed under this program are accessible and widely disseminated as needed and appropriate;

“(4) promote cooperation among agencies that are developing technologies that may hold promise for the development of methane hydrate resources; and

“(5) report annually to Congress on the results of actions taken to carry out this Act; and

“(e) RESPONSIBILITIES OF THE SECRETARY.—In carrying out subsection (b)(1), the Secretary shall—

“(A) facilitate and develop partnerships among government, industrial enterprises, and institutions of higher education to research, identify, assess, and explore methane hydrate resources;

“(B) develop and implement policies for methane hydrate research and development needs.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out research, development, demonstration, and commercial application activities of the Office of Science, including activities authorized under this subtitle (including the amounts authorized under the amendment made by section 796(b) and including basic energy sciences, advanced scientific and computing research, fusion energy sciences, high energy physics, nuclear physics, research analysis, and infrastructure support, pursuant to—

“(1) $4,253,000,000 for fiscal year 2007;

“(2) $4,566,000,000 for fiscal year 2008; and

“(3) $5,200,000,000 for fiscal year 2009.

“(g) ALLOCATION.—In addition to the amounts authorized under subsection (b), the following sums are authorized:

“(1) For activities under the Fusion Energy Sciences program (including activities under section 797)—

“(A) $355,500,000 for fiscal year 2007;

“(B) $369,300,000 for fiscal year 2008;

“(C) $384,800,000 for fiscal year 2009; and

“(D) such sums as may be necessary for fiscal year 2009.

“(2) For activities under the catalysis research program under section 973—

“(A) $360,500,000 for fiscal year 2007;

“(B) $38,200,000 for fiscal year 2008; and

“(C) such sums as may be necessary for fiscal year 2009.

“(3) For activities under the Systems Biology Program under section 976 such sums as may be necessary for each of fiscal years 2007 through 2009.

“(4) For activities under the Energy and Water Supplies program under section 979, $30,000,000 for each of fiscal years 2007 through 2009.

“(5) For the advanced scientific computing facilities programs under section 984, $40,000,000 for each of fiscal years 2007 through 2009.

“(6) For the advanced scientific computing activities under section 976—

“(A) $270,000,000 for fiscal year 2007;

“(B) $350,000,000 for fiscal year 2008; and

“(C) $375,000,000 for fiscal year 2009.

“(7) For the science and engineering education pilot program under section 983—

“(A) $4,000,000 for each of fiscal years 2007 and 2008; and

“(B) $8,000,000 for fiscal year 2009.

“(h) INTEGRATED BIOENERGY RESEARCH AND DEVELOPMENT—In addition to amounts otherwise authorized by this section, there are authorized to be appropriated to the Secretary for integrated bioenergy research and development programs, $45,000,000 for each of the fiscal years 2005 through 2009. Activities funded under this subsection shall be coordinated with ongoing programs of other Federal agencies, including the Plant Genome Program of the National Science Foundation.

“(i) SEC. 797. FUSION ENERGY SCIENCES PROGRAM.

“(a) DECLARATION OF POLICY.—It shall be the policy of the United States to conduct research, development, demonstration, and commercial application activities to provide for the scientific, engineering, and commercial infrastructure necessary to ensure that the United States is competitive with other countries in providing fusion energy resources to meet its own needs and the needs of other countries, including by demonstrating electric power or hydrogen production for the United States energy grid using fusion energy at the earliest date.

“(b) PLANNING.—In general.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a plan (with proposed cost estimates, budgets, and lists of potential international partners) for the implementation of the policy described in subsection (a) in a manner that ensures that—

“(A) existing fusion research facilities are more fully used;

“(B) fusion science, technology, theory, advanced science, and technology are developed and strengthened;

“(C) new magnetic and inertial fusion research and development facilities are selected based on scientific innovation and cost effectiveness, and the potential of the facilities to advance the goal of practical fusion energy at an early date practicable;

“(D) facilities that are selected are funded at a cost-effective rate;

“(E) communication of scientific results and methods between the fusion energy science community and the broader scientific and technology communities is improved;

“(F) inertial confinement fusion facilities are used to the extent practicable for the purpose of inertial fusion energy research and development;

“(G) attractive alternative inertial and magnetic fusion energy approaches are more fully explored; and

“(H) to the extent practicable, the recommenda-

“tions of the Fusion Energy Sciences Advisory Committee in the report on workforce planning, dated March 2004, are carried out, including periodic reassessment of program needs.

“(c) UNITED STATES PARTICIPATION IN ITER.

“(1) DEFINITIONS.—In this subsection:

“(A) ITER.—The term ‘‘ITER’’ means—

“(i) the ITER facility; and

“(ii) the term ‘‘construction’’ means—

“(I) the physical construction of the ITER facility; and

“(II) the physical construction, purchase, or manufacture of equipment or components that are specifically designed for the ITER facility.

“(b) UNITED STATES PARTICIPATION IN ITER.

“(1) PARTICIPATION.—The United States may participate in the ITER only in accordance with this subsection.

“(2) AGREEMENT.—In general.—The Secretary may negotiate and enter into an agreement for United States participation in the ITER.

“(b) CONTENTS.—Any agreement for United States participation in the ITER shall, at a minimum—

“(i) clearly define the United States financial contribution to construction and operating
(A) DEVELOPMENT.—The Secretary, in consultation with the Fusion Energy Sciences Advisory Committee, shall develop a plan for the participation of United States scientists in the ITER that shall include—

(1) the United States research agenda for the ITER;

(ii) methods to evaluate whether the ITER is promoting progress toward making fusion a reliable and affordable source of power and
d(2) a description of how work at the ITER will relate to other elements of the United States fusion program.

(B) REVIEW.—The Secretary shall request a review of the plan by the National Academy of Sciences.

(5) LIMITATION.—No Federal funds shall be expended for the construction of the ITER until the Secretary has submitted to Congress—

(2) a report describing the management structure of the ITER and providing a fixed dollar estimate of the cost of United States participation in the construction of the ITER, and 120 days have elapsed since that submission;

(3) a report describing how United States participation in the ITER will be funded without reducing funding for other programs in the Office of Science (including other fusion programs), and 60 days have elapsed since that submission; and

(D) the plan required by paragraph (4) (but not the National Academy of Sciences review of that plan), and 60 days have elapsed since that submission.

(4) ALTERNATIVE TO ITER.—

(A) IN GENERAL.—If at any time during the negotiations on the ITER, the Secretary determines that construction and operation of the ITER is unlikely or infeasible, the Secretary shall submit to Congress, along with the budget request of the President submitted to Congress for the following fiscal year, a plan for implementing a domestic burning plasma experiment such as the Fusion Ignition Research Experiment, including costs and schedules for the plan.

(B) ADMINISTRATION.—The Secretary shall—

(i) refine the plan in full consultation with the Fusion Energy Sciences Advisory Committee; and

(ii) transmit the plan to the National Academy of Sciences for review.

SEC. 973. CATALYSIS RESEARCH PROGRAM.

(a) ESTABLISHMENT.—The Secretary, acting through the Office of Science, shall support a program of research and development in catalysis science consistent with the statutory authorities of the Department related to research and development.

(b) COMPONENTS.—The program shall include efforts to—

(1) enable catalyst design using combinations of experimental and mechanistic methodologies coupled with computational modeling of catalytic reactions at the molecular level,

(2) develop techniques for high throughput synthesis, assay, and characterization at nanometer and subnanometer scales in situ under actual operating conditions,

(3) synthesize catalysts with specific site architectures,

(4) conduct research on the use of precious metals for catalysis and

(5) translate molecular understanding to the design of catalytic compounds.

(c) DUTIES OF THE OFFICE OF SCIENCE.—In carrying out the program, the Director of the Office of Science shall—

(1) support both individual investigators and multidisciplinary teams of investigators to pioneer new approaches in catalytic design,

(2) develop, plan, construct, acquire, share, or operate special equipment or facilities for the use of investigators in collaboration with national user facilities, such as nanoscience and engineering centers,

(3) support technology transfer activities to benefit industry and other users of catalysis science and engineering; and

(4) coordinate research and development activities with industry and other Federal agencies.

(d) ASSESSMENT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall enter into an arrangement with the National Academy of Sciences to—

(i) review the catalysis program to measure—

(A) gains made in the fundamental science of catalysis; and

(B) progress towards developing new fuels for energy production and material fabrication processes; and

(ii) submit to Congress a report describing the results of the review.

SEC. 974. HYDROGEN.

(a) IN GENERAL.—The Secretary shall conduct a program of research and development in support of programs authorized under title VIII.

(b) METHODS.—The program shall include support for methods of generating hydrogen without the use of natural gas.

SEC. 975. SOLID STATE LIGHTING.

The Secretary shall conduct a program of fundamental research on solid state lighting in support of the National Nanotechnology Initiative carried out under section 912.

SEC. 976. ADVANCED SCIENTIFIC COMPUTING FOR ENERGY MISSIONS.

(a) PROGRAM.—

(1) IN GENERAL.—The Secretary shall conduct an advanced scientific computing research and development program that includes activities related to applied mathematics and activities authorized by the Department of Energy High-End Computing Revitalization Act of 2004 (15 U.S.C. 5541 et seq.).

(2) GOAL.—The Secretary shall carry out the program with the goal of supporting departmental missions, and providing the high-performance computing, mathematics, and visualization technologies, and workforce resources, that are required for world leadership in science.

(b) HIGH-PERFORMANCE COMPUTING.—Section 203 of the High-Performance Computing Act of 1991 (15 U.S.C. 5523) is amended to read as follows:

"SEC. 203. DEPARTMENT OF ENERGY ACTIVITIES.

(a) GENERAL RESPONSIBILITIES.—As part of the Program described in title I, the Secretary of Energy shall—

(1) carry out and support basic and applied research in high-performance computing and networking to support fundamental research in science and engineering disciplines related to energy applications;

(2) provide computing and networking infrastructure support, including—
SEC. 982. OFFICE OF SCIENTIFIC AND TECHNICAL INFORMATION.

SEC. 981. RARE ISOTOPE ACCELERATOR.

The Secretary shall establish a program under which the Secretary provides fellowships to encourage outstanding young scientists and engineers to pursue professional appointments in energy research and development at institutions of higher education of their choice.

(b) SENIOR RESEARCH FELLOWSHIPS.—

(1) IN GENERAL.—The Secretary shall establish a program under which the Secretary provides fellowships to allow outstanding senior researchers and their research groups in energy research and development to explore research and development topics of their choosing for a period of not less than 3 years, to be determined by the Secretary.

(c) CONTINUATION.—In providing a fellowship under the program described in paragraph (1), the Secretary shall consider—

(1) the most significant technical accomplishment of a senior researcher; and

(2) the potential for continued accomplishment by the researcher during the period of the fellowship.

SEC. 984A. SCIENCE AND TECHNOLOGY SCHOLARSHIP PROGRAM.

(a) ESTABLISHMENT OF PILOT PROGRAM.—

The Secretary shall award a grant to a Southeastern United States consortium consisting of universities that currently advances science and education by partnering with National Laboratories, to establish a regional pilot program of its SEEK-16 program for enhancing scientific, technological, engineering, and mathematical literacy, creativity, and decision-making. The consortium shall include 1 or more universities, 1 or more institutions that train substantial numbers of elementary and secondary school teachers, and (where appropriate) National Laboratories.

(b) PROGRAM ELEMENTS.—The regional pilot program shall include—

(1) expanding strategic, formal partnerships among the consortium's institutions to strengthen in K-12 outreach and engagement, universities that train substantial numbers of elementary and secondary school teachers, and the private sector;

(2) combining Department expertise with 1 or more National Aeronautics and Space Administration Educator Resource Centers;

(3) developing programs to permit current and future teachers to partner on ongoing research projects at National Laboratories and research universities and to adapt lessons learned to the classroom;

(4) designing and implementing course work;

(5) designing and implementing a strategy for measuring and assessing progress under the program; and

(6) developing models for transferring knowledge gained under the pilot program to other institutions and areas of the United States.

(c) CATEGORY.—A grant under this section shall be considered an authorized activity under section 3165 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7251).

(d) REPORT.—No later than 2 years after the award of the grant, the Secretary shall transmit to Congress a report outlining lessons learned and, if determined appropriate by the Secretary, containing a plan for expanding the program throughout the United States.
Subtitle H—International Cooperation

SEC. 987. WESTERN HEMISPHERE ENERGY CO-OPERATION.

(a) PROGRAM.—The Secretary shall carry out a program to promote cooperation on energy issues with countries of the Western Hemisphere.

(b) ACTIVITIES.—Under the program, the Secretary shall fund activities to work with countries of the Western Hemisphere to—

(1) increase the production of energy supplies;
(2) improve energy efficiency; and
(3) in the development and transfer of energy supply and efficiency technologies that would have a beneficial impact on world energy markets.

(c) PARTICIPATION BY INSTITUTIONS OF HIGHER EDUCATION.—To the extent practicable, the Secretary shall carry out the program under this section with the participation of institutions of higher education so as to take advantage of the acceptance of institutions of higher education by countries of the Western Hemisphere as sources of unbiased technical and policy expertise when assisting the Secretary in—

(1) evaluating new technologies;
(2) resolving technical issues;
(3) working with those countries in the development of energy policies; and
(4) training policymakers, particularly in the case of institutions of higher education that involve the participation of minority students, such as—

(A) Hispanic-serving institutions; and
(B) part B institutions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $31,500,000 for each of fiscal years 2007 through 2010.

Subtitle I—Research Administration and Operations

SEC. 987. AVAILABILITY OF FUNDS.

Funds authorized to be appropriated to the Department under this Act or an amendment made by this Act shall remain available until expended.

SEC. 988. COST SHARING.

(a) IN GENERAL.—Notwithstanding any provision of law, in carrying out a research, development, demonstration, or commercial application program or activity that is initiated after the date of enactment of this section, the Secretary shall require cost-sharing in accordance with this section.

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3) and subsection (f), the Secretary shall require not less than 20 percent of the cost of a research or development activity described in subsection (a) to be provided by a non-Federal source.

(2) EXCLUSION.—Paragraph (1) shall not apply to a research or development activity described in subsection (a) to be provided by a non-Federal source.

(b) RESEARCH AND DEVELOPMENT.

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3) and subsection (f), the Secretary shall require that—

(A) the Secretary shall fund activities to work with countries of the Western Hemisphere to—

(i) increase the production of energy supplies;
(ii) improve energy efficiency; and
(iii) in the development and transfer of energy supply and efficiency technologies that would have a beneficial impact on world energy markets.

(b) PARTICIPATION BY INSTITUTIONS OF HIGHER EDUCATION.—To the extent practicable, the Secretary shall carry out the program under this section with the participation of institutions of higher education so as to take advantage of the acceptance of institutions of higher education by countries of the Western Hemisphere as sources of unbiased technical and policy expertise when assisting the Secretary in—

(1) evaluating new technologies;
(2) resolving technical issues;
(3) working with those countries in the development of energy policies; and
(4) training policymakers, particularly in the case of institutions of higher education that involve the participation of minority students, such as—

(A) Hispanic-serving institutions; and
(B) part B institutions.

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(ii) improve energy efficiency; and
(iii) in the development and transfer of energy supply and efficiency technologies that would have a beneficial impact on world energy markets.

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(1) evaluating new technologies;
(2) resolving technical issues;
(3) working with those countries in the development of energy policies; and
(4) training policymakers, particularly in the case of institutions of higher education that involve the participation of minority students, such as—

(A) Hispanic-serving institutions; and
(B) part B institutions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $31,500,000 for each of fiscal years 2007 through 2010.

SEC. 989. EXTERNAL TECHNICAL REVIEW OF DEPARTMENTAL PROGRAMS.

(a) NATIONAL ENERGY RESEARCH AND DEVELOPMENT ADVISORY COMMITTEE.—The Secretary shall establish 1 or more advisory boards to review research, development, demonstration, and commercial application programs of the Department in energy efficiency, renewable energy, nuclear energy, and fossil energy.

(b) ALTERNATIVES.—The Secretary may—

(A) designate an existing advisory board within the Department to fulfill the responsibilities of this section; and
(B) enter into appropriate arrangements with the National Academy of Sciences to establish such an advisory board.

(c) MEMBERSHIP.—Each advisory board under this section shall consist of persons with appropriate expertise representing a diverse range of interests.

(d) DUTIES.—The advisory boards shall meet at least semiannually to review and advise on the progress made by the respective 1 or more research, development, demonstration, and commercial application programs under this Act.

(e) FUNDING.—The advisory boards shall be funded by the National Academy of Sciences to conduct periodic reviews and assessments of—

(1) the research, development, demonstration, and commercial application programs authorized by this Act and amendments made by this Act;
(B) the measurable cost and performance-based goals for the programs as established under section 902, if any; and
(C) the progress on meeting the goals.
(2) The reviews and assessments shall be conducted every 5 years or more often as the Secretary considers necessary.
(3) The Secretary shall submit to Congress reports describing the results of all the reviews and assessments.

SEC. 991. NATIONAL LABORATORY DESIGNATION.
After the date of enactment of this Act, the Secretary shall not designate a facility that is not listed in section 2(3) as a National Laboratory.

SEC. 992. REPORT ON EQUAL EMPLOYMENT OPPORTUNITY PRACTICES.
Not later than 12 months after the date of enactment of this Act, and biennially thereafter, the Secretary shall transmit to Congress a report on the equal employment opportunity practices at National Laboratories. Such report shall include—
(1) a thorough review of each National Laboratory contractor’s equal employment opportunity policies, including promotion to management and professional positions and pay increases;
(2) a statistical report on complaints and their disposition at National Laboratories;
(3) a description of how equal employment opportunity practices at the National Laboratories are treated in the contract and in calculating award fees for each contractor;
(4) a summary of disciplinary actions and their disposition by either the Department or the relevant contractors for each National Laboratory;
(5) a summary of outreach efforts to attract women and minorities to the National Laboratories;
(6) a summary of efforts to retain women and minorities in the National Laboratories; and
(7) a summary of collaboration efforts with the Office of Federal Contract Compliance Programs to improve equal employment opportunity practices at the National Laboratories.

SEC. 993. STRATEGY AND PLAN FOR SCIENCE AND INFRASTRUCTURE.
(a) FACILITY AND INFRASTRUCTURE POLICY.—
(1) IN GENERAL.—The Secretary shall develop and implement a strategy for facilities and infrastructure supported primarily from the Office of Science, the Office of Energy Efficiency and Renewable Energy, the Office of Fossil Energy, or the Office of Nuclear Energy. Science and Technology Programs at all National Laboratories and single-purpose research facilities.
(2) The strategy shall provide cost-effective means for—
(A) maintaining existing facilities and infrastructure;
(B) closing unneeded facilities;
(C) making facility modifications; and
(D) building new facilities.

(b) REPORT.—
(1) IN GENERAL.—The Secretary shall prepare and submit, along with the budget request of the President submitted to Congress for fiscal year 2008, a report describing the strategy developed under subsection (a).

(2) CONTENTS.—For each National Laboratory and single-purpose research facility that is primarily used for science and energy research, the report shall contain—
(A) the current priority list of proposed facilities and infrastructure projects, including cost and scope data; and
(B) a current 10-year plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment;
(C) the total current budget for all facilities and infrastructure funding; and
(D) the contribution of each facility and infrastructure project compared to the original baseline cost, schedule, and scope.

SEC. 994. STRATEGIC RESEARCH PORTFOLIO ANALYSIS AND COORDINATION PLAN.
(a) IN GENERAL.—The Secretary shall periodically review all of the science and technology activities of the Department in a strategic framework that takes into account both the scientific frontiers and their potential contributions to the missions, and the national needs relevant to the Department’s statutory missions.
(b) COORDINATION ANALYSIS AND PLAN.—As part of the review under subsection (a), the Secretary shall develop a coordination plan to improve coordination and collaboration in research, development, demonstration, and commercial applications activities across Department organizational boundaries.
(c) PLAN CONTENTS.—The plan shall describe—
(1) crosscutting scientific and technical issues and research questions that span more than 1 program or major office of the Department;
(2) how the applied technology programs of the Department are coordinating their activities, and addressing those questions;
(3) ways in which the technical interchange within the Department, particularly between the Office of Science and the applied technology programs, can be enhanced, including ways in which the research agendas of the Office of Science and the applied programs can interact and assist each other;
(4) a description of the Secretary’s authority and direction as the Department’s overall research policy leader to address fundamental, curiosity-driven research and technology R&D that are related to topics of concern to the applied programs and applications in Departmental technology programs of the results generated by fundamental, curiosity-driven research.
(d) PLAN TRANSMITTAL.—Not later than 12 months after the date of enactment of this Act, and every 4 years thereafter, the Secretary shall transmit to Congress the results of the review under subsection (a) and the coordination plan under subsection (b).

SEC. 995. COMPETITIVE AWARD OF MANAGEMENT CONTRACTS.
None of the funds authorized to be appropriated to the Secretary by this title may be used to award a management and operating contract for a National Laboratory (excluding those named in subparagraphs (G), (H), (N), and (O) of subsection (a)) that is competitively awarded, or the Secretary grants, on a case-by-case basis, a waiver. The Secretary may delegate the authority to grant such a waiver and shall transmit a report notifying it of the waiver, and setting forth the reasons for the waiver, at least 60 days prior to the date of the award of such contract.

SEC. 996. WESTERN MICHIGAN DEMONSTRATION PROJECT.
The Administrator of the Environmental Protection Agency, in consultation with the State of Michigan and officials, shall conduct a demonstration project to address the effect of transported ozone and ozone precursors in Southwestern Michigan. The demonstration project shall address nonattainment areas in Southwestern Michigan that include counties with design values for ozone of less than 0.085 based on years 2000 to 2002 and the most current data. The Administrator shall assess any difficulties such areas may experience in meeting the 8-hour national ambient air quality standard for ozone and the 1-hour standard for ozone or ozone precursors into the areas. The Administrator shall work with State and local officials to determine the extent of ozone and ozone precursor transport and develop strategies to bring these areas into compliance with the 8-hour standard apart from local controls, and to determine the timeframe in which such compliance could take place. The Administrator shall award a contract for this project no later than 2 years after the date of enactment of this section and shall not impose any requirement or sanction under the Clean Air Act (42 U.S.C. 7401 et seq.) that might otherwise apply during the pendency of the demonstration project.

SEC. 997. ARCTIC ENGINEERING RESEARCH CENTER.
(a) IN GENERAL.—The Secretary—
(1) in consultation with the Secretary of Transportation, and the United States Arctic Research Commission, shall provide annual funding for a center located adjacent to the Arctic Energy Office of the Department of Energy, to establish and operate a university research center to be headquartered in Alaska and to be named the “Arctic Engineering Research Center” (referred to in this section as the “Center”); and
(2) PURPOSE.—The purpose of the Center shall be to conduct research on, and develop improved methods of, construction and use of materials to improve the overall performance of roads, bridges, and industrial infrastructure, and other infrastructure in the Arctic region, with an emphasis on developing—
(1) construction techniques and standards for roads, bridges, and related transportation infrastructure; and
(2) technologies and procedures for increasing road, bridge, and related transportation infrastructure, and residential, commercial, and industrial infrastructure safety, reliability, and integrity in the Arctic region.

(b) PROGRAM.—The Secretary shall—
(1) construct the Center and begin the program not later than 2 years after the date of enactment of this Act; and
(2) conduct the demonstration project.

(c) FUNDING.—
(1) IN GENERAL.—The Secretary shall make available for each of fiscal years 2006 through 2011—
(A) to establish and operate the Center—
The United States Arctic Research Commission, for the purpose of establishing the Center, an initial budget of $3,000,000, to be provided from funds appropriated to the Secretary by this title;
(B) to conduct the demonstration project—
(i) the Secretary shall provide annual grants to a university located in Alaska to support the demonstration project; and
(ii) to be eligible to receive such grants, a university shall be an institution of higher education that makes research results available to potential users in a form that can be implemented.

(d) TECHNICAL AND RESEARCH REVIEW.—
(1) The Secretary, in consultation with the United States Arctic Research Commission, the National Science Foundation, and the National Academy of Sciences, shall conduct a technical and research review of this section not later than 2 years after the date of enactment of this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—
(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $3,000,000 for each of fiscal years 2006 through 2011.

SEC. 998. BARROW GEOPHYSICAL RESEARCH FACILITY.
(a) ESTABLISHMENT.—The Secretary of Commerce, in consultation with the Secretaries of Energy, the Interior, and the National Science Foundation, shall establish a joint research facility in Barrow, Alaska, to be known as the “Barrow Geophysical Research Facility”, to conduct scientific research activities in the Arctic.

(b) AUTHORIZATION OF APPROPRIATIONS.—
(1) There are authorized to be appropriated to the Secretaries of Commerce, Energy, and the Interior, the Director of the National Science Foundation, and the Administrator of the Environmental Protection Agency, $61,000,000.
Subtitle J—Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources

SEC. 999A. PROGRAM AUTHORITY.

(a) In General.—The Secretary shall carry out the activities under section 999A to maximize the value of natural gas and other petroleum resources of the United States, by increasing the supply of such resources, through reducing the cost and increasing the efficiency of exploration for and production of such resources, while improving safety and minimizing environmental impacts.

(b) ROLE OF THE SECRETARY.—The Secretary shall have ultimate responsibility for, and oversight of, all aspects of the program under this section.

(c) ROLE OF THE PROGRAM CONSORTIUM.—

(1) In General.—The Secretary shall contract with a consortium that is structuring as a consortium to administer the program activities outlined in this chapter. The program consortium shall—

(A) administer the program pursuant to subsection (f)(3), utilizing program administration funds only;

(B) issue research project solicitations upon approval of the Secretary or the Secretary’s designee;

(C) make project awards to research performers upon approval of the Secretary or the Secretary’s designee;

(D) disburse research funds to research performers awarded under subsection (f)(3) as directed by the Secretary in accordance with the annual plan under subsection (e); and

(E) carry out other activities assigned to the program consortium.

(2) LIMITATION.—The Secretary may not assign any activities to the program consortium except as specifically authorized under this section.

(3) CONFLICT OF INTEREST.—

(A) PROCEDURES.—The Secretary shall establish procedures—

(i) to ensure that each board member, officer, or employee of the program consortium who is in a decisionmaking capacity under subsection (f)(4) with respect to an award shall be recused from any oversight and decisionmaking with respect to such award;

(ii) to require any board member, officer, or employee with a financial relationship or interest disclosed under clause (i) to recuse himself or herself from any oversight and decisionmaking under this section with respect to such award;

(B) FAILURE TO COMPLY.—The Secretary may disqualify an application or revoke an award under this section if a board member, officer, or employee has failed to comply with procedures required under subparagraph (A)(ii).

(4) SELECTION OF THE PROGRAM CONSORTIUM.—

(A) SOLICITATION OF RECOMMENDATIONS.—The Secretary shall select the program consortium from among qualified national research consortia consisting of small producers or organizations primarily for the benefit of small producers, and shall focus on areas including complex geology involving rapid changes in the type and quality of the oil and gas reservoirs across the reservoir; low reservoir pressure; unconventional natural gas reservoirs in coals, deep reservoirs, tight sands, or shales; and unconventional oil reservoirs in tar sands and oil shales.

(B) ROLE OF THE SECRETARY.

(1) In General.—The Secretary shall carry out the activities of the program consortium to carry out subsection (f)(3), utilizing program administration funds only;

(2) Limitation.—Awards from allocations under section 999d(d)(2) shall focus on areas including advanced coalbed methane exploitation and production from tight sands, natural gas production from gas shales, stranded gas, innovative exploration and production techniques, enhanced recovery techniques, and environmental mitigation of unconventional natural gas and other petroleum resources exploration and production.

(C) SMALL PRODUCERS.—Awards from allocations under section 999d(d)(3) shall be made to consortia consisting of small producers or organized primarily for the benefit of small producers, and shall focus on areas including complex geology involving rapid changes in the type and quality of the oil and gas reservoirs across the reservoir; low reservoir pressure; unconventional natural gas reservoirs in coals, deep reservoirs, tight sands, or shales; and unconventional oil reservoirs in tar sands and oil shales.

(e) ANNUAL PLAN.—

(1) In General.—The program under this section shall be carried out pursuant to an annual plan prepared by the Secretary in accordance with paragraph (2).

(2) Development.

(A) Solicitation of Recommendations.—Before drafting an annual plan under this subsection, the Secretary shall solicit specific written recommendations from the program consortium for each element to be addressed in the plan, including those described in paragraph (4). The program consortium shall submit its recommendations in the form of a draft annual plan.

(B) Submission of Recommendations; Other Comment.—The Secretary shall submit the recommendations of the program consortium under subsection (d) to the Ultra-Deepwater Advisory Committee established under section 999d(a) and to the Unconventional Resources Technology Advisory Committee established under section 999d(b), and such Advisory Committees shall provide to the Secretary written comments by a date determined by the Secretary. The Secretary may also solicit comments from any other experts.

(C) Consultation.—The Secretary shall consult early with the program consortium, throughout the preparation of the annual plan.

(3) Publication.—The Secretary shall transmit the annual plan to Congress and publish in the Federal Register an annual plan. The Secretary shall submit written comments received under paragraph (2)(A) and (B).

(4) Contents.—The annual plan shall describe the ongoing and prospective activities of the program under this section and shall include—

(A) a list of any solicitations for awards to carry out research, development, demonstration, or commercial application activities, including the topics for such work, who would be eligible to apply, selection criteria, and the duration of allocation;

(B) a description of the activities expected of the program consortium to carry out subsection (f)(3); and

(5) ESTIMATES OF INCREASED ROYALTY RECEIPTS.—The Secretary, in consultation with the Secretary of the Interior, shall provide an annual report to Congress with the President’s budget on the estimated cumulative increase in Federal royalty receipts (if any) resulting from the implementation of this subtitle. The initial report under this paragraph shall be submitted in the first President’s budget following the completion of the first annual plan required under this subsection.

(1) Awards.

(A) In General.—Upon approval of the Secretary the program consortium shall make...
awards to research performers to carry out research, development, demonstration, and commercial application activities under the program under this section. The program consortium shall not be eligible to receive such awards, but provided that conflict of interest procedures in section 999B(c)(3) are followed, entities that are members of the program consortium are not precluded from receiving research awards for individual research performers or as research performers who are members of a research collaboration.

(3) PROPOSALS.—Upon approval of the Secretary, the program consortium shall solicit proposals for awards under this subsection in such manner as the Secretary may prescribe, in consultation with the program consortium.

(3) OVERSIGHT.—(A) IN GENERAL.—The program consortium shall oversee the implementation of awards under this subsection, consistent with the annual plan under subsection (e), including disbursing funds and monitoring activities carried out under such awards for compliance with the terms and conditions of the awards.

(B) ENSURE.—Nothing in paragraph (A) shall limit the authority or responsibility of the Secretary to oversee awards, or limit the authority of the Secretary to rescind or revoke awards.

(g) ADMINISTRATIVE COSTS.—(1) IN GENERAL.—To compensate the program consortium for carrying out its activities under this subsection, the Secretary shall provide the program consortium funds sufficient to administer the program. This compensation may include a management fee consistent with Department of Energy contracting practices and procedures.

(2) ADVANCE.—The Secretary shall advance funds to the program consortium upon selection of the consortium, which shall be deducted from amounts to be provided under paragraph (1).

(h) AUDIT.—(A) The Secretary shall retain an independent auditor to examine and shall include a review by the General Accountability Office, to determine the extent to which funds provided to the program consortium, and funds provided under this subsection, have been expended in a manner consistent with the purposes and requirements of this subtitle.

(i) ACTIVITIES BY THE UNITED STATES GEOLOGICAL SURVEY.—(A) The Secretary of the Interior, through the United States Geological Survey, shall ensure that, from time to time, carry out program of long-term research to complement the programs under this section.

(j) PROGRAM REVIEW AND OVERSIGHT.—The National Energy Technology Laboratory, on behalf of the Secretary, shall (1) issue a competitive solicitation for the program consortium, (2) evaluate, select, and award a contract or other agreement to a qualified program consortium, and (3) have primary review and oversight responsibility for the program consortium, including review and approval of research awards proposed by the program consortium, to ensure that its activities are consistent with the purposes and requirements described in this subtitle. Up to 5 percent of program funds allocated under paragraphs (1) through (3) of section 999H(d) may be used for this purpose, including program direction and the establishment of a site office if determined to be necessary to carry out the provisions of this subsection.

SEC. 999C. ADDITIONAL REQUIREMENTS FOR AWARDS.

(a) DEMONSTRATION PROJECTS.—An application for an award under this subtitle for a demonstration project shall describe with specificity the intended commercial use of the technology to be developed.

(b) FLEXIBILITY IN LOCATING DEMONSTRATION PROJECTS.—Subject to the limitation in section 999A(c), a demonstration project under this subtitle relating to an ultra-deepwater technology or an ultra-deepwater architecture may be conducted in deepwater depths.

(c) INTERCONSORTIUM AGREEMENTS.—If an award under this subtitle is made to a consortium (other than the program consortium), the consortium shall provide to the Secretary a statement setting forth the responsibilities of the consortium describing the rights of each member to intellectual property used or developed under the award.

(d) TECHNOLOGY TRANSFER.—2.5 percent of the amount of each award made under this subtitle shall be designated for technology transfer and outreach activities under this subtitle.

(e) COST SHARING FOR INDEPENDENT PRODUCERS.—In applying the cost sharing requirements under section 999 to an award under this subtitle, the Secretary may reduce or eliminate the non-Federal requirement if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project.

(f) INFORMATION SHARING.—All results of the research administered by the program consortium shall be made available to the public consistent with Department policy and practice on information sharing and intellectual property agreements.

SEC. 999D. ADVISORY COMMITTEES.

(q) ULTRA-DEEPWATER ADVISORY COMMITTEE.—(1) ESTABLISHMENT.—Not later than 270 days after the date of enactment of this Act, the Secretary shall establish an advisory committee to be known as the Ultra-Deepwater Advisory Committee.

(2) MEMBERSHIP.—The Advisory Committee under this subsection shall be composed of members appointed by the Secretary including—

(A) individuals with extensive research experience in offshore natural gas and other petroleum exploration and production;

(B) individuals broadly representative of the affected interests in ultra-deepwater natural gas and other petroleum production, including interests in environmental protection and safe operations;

(C) individuals with expertise in the various regulatory areas of petroleum supply of unconventional onshore natural gas and other petroleum in the United States;

(D) no individuals who are Federal employees; and

(E) no individuals who are board members, officers, or employees of the program consortium.

(3) DUTIES.—The Advisory Committee under this subsection shall—

(A) advise the Secretary on the development and implementation of programs under this subtitle related to unconventional natural gas and other petroleum resources; and

(B) carry out section 999B(e)(2)(B).

(q) COMPENSATION.—A member of the Advisory Committee under this subsection shall serve without compensation but shall receive travel expenses in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

SEC. 999E. LIMITS ON PARTICIPATION.

(a) ELIGIBILITY.—An entity shall be eligible to receive an award under this subtitle only if the Secretary finds—

(1) that the entity’s participation in the program under this subtitle would be in the economic interest of the United States; and

(2) that either—

(A) the entity is a United States-owned entity organized under the laws of the United States; or

(B) the entity is organized under the laws of the United States and has a parent entity organized under the laws of a country that affords—

(i) to United States-owned entities opportunities, comparable to those afforded to any other entity, to participate in any cooperative research venture similar to those authorized under this subtitle;

(ii) to United States-owned entities local investment opportunities comparable to those afforded to any other entity; and

(iii) adequate and effective protection for the intellectual property rights of United States-owned entities.

SEC. 999F. SUNSET.

The authority provided by this subtitle shall terminate on September 30, 2040.

SEC. 999G. DEFINITIONS.

In this subtitle—

(a) DEEPWATER.—The term “deepwater” means a water depth that is greater than 200 but less than 1,500 meters.

(b) INDEPENDENT PRODUCER OF OIL OR GAS.—(A) IN GENERAL.—The term “independent producer of oil or gas” means any person that produces oil or gas other than a person to whom subparagraph (c) of section 999A of the Internal Revenue Code of 1986 does not apply by reason of paragraph (2) (relating to certain retailers) or paragraph (4) (relating to certain refiners) of section 999A of such Code.

(B) RULES FOR APPLYING PARAGRAPHS (2) AND (4) OF SECTION 613A.—For purposes of subparagraph (A), paragraphs (2) and (4) of section 613A of the Internal Revenue Code of 1986 shall be applied by substituting “calendar year” for “taxable year” each place it appears in such paragraphs.

(c) PROGRAM ADMINISTRATION FUND.—The term “program administration fund” means funds used by the program consortium to administer the program under this subtitle, but not to exceed 2.5 percent of the total funds allocated under paragraphs (1) through (3) of section 999H(d).
TITLE I—DEPARTMENT OF ENERGY MANAGEMENT

SEC. 1001. IMPROVED TECHNOLOGY TRANSFER PROGRAM.

(a) TECHNOLOGY TRANSFER COORDINATOR.—The Secretary shall appoint a Technology Transfer Coordinator to be the principal advisor to the Secretary on all matters relating to technology transfer and commercialization.

(b) QUALIFICATIONS.—The Coordinator shall be an individual who, by reason of professional background and experience, is specially qualified to advise the Secretary on matters pertaining to technology transfer at the Department.

(c) DUTIES OF THE COORDINATOR.—The Coordinator shall oversee—

(1) the activities of the Technology Transfer Working Group established under subsection (d);

(2) the expenditure of funds allocated for technology transfer within the Department;

(3) the activities of each technology partnership ombudsman appointed under section 11 of the Technology Transfer Commercialization Act of 2009 (42 U.S.C. 7261c); and

(4) efforts to engage private sector entities, including venture capital companies.

(d) TECHNOLOGY TRANSFER WORKING GROUP.—The Secretary shall establish a Technology Transfer Working Group, which shall consist of representatives of the National Laboratories and single-purpose research facilities, to—

(1) coordinate technology transfer activities occurring at National Laboratories and single-purpose research facilities;

(2) exchange information about technology transfer practices, including alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters; and

(3) develop and disseminate to the public and prospective technology partners information about opportunities and procedures for technology transfer with the Department, including opportunities and procedures related to alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters.

(e) TECHNOLOGY COMMERCIALIZATION FUND.—The Secretary shall establish an Energy Technology Commercialization Fund, using 0.9 percent of the proceeds from the sale of royalty production that is taken in kind and royalty production that is proceeds from the sale of royalty production that is taken in kind, to fund activities under section 999A(b)(4) that are technologically complementary to, and not duplicative of, activities conducted under paragraphs (1), (2), and (3) of section 999A(b).

(f) AUTHORIZATION OF APPROPRIATIONS.—In addition to other amounts that are made available to carry out this section, there is authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2007 through 2016.

(g) FUND.—There is hereby established in the Treasury of the United States a separate fund to be known as the “Ultra-Deepwater and Unconventional Natural Gas and Oil Petroleum Research Fund”, which—

(1) 35 percent shall be for activities under section 999A(b)(1);

(2) 32.5 percent shall be for activities under section 999A(b)(2);

(3) 12.5 percent shall be for activities under section 999A(b)(3);

(4) 25 percent shall be for complementary research, development, and other activities under section 999A(b)(2) to include program direction, overall program oversight, contract management, and the establishment and operation of programs, to ensure that in-house research activities funded under section 999A(b)(4) are technologically complementary to, and not duplicative of, research conducted under paragraphs (1), (2), and (3) of section 999A(b);

(5) 7.5 percent shall be for activities under section 999A(b)(1).
(B) SOURCES.—The calculation of costs paid by the non-Federal sources for a project shall include cash, personnel, services, equipment, and other resources expended on the project after the date of the project.

(C) RESEARCH AND DEVELOPMENT EXPENSES.—Independent research and development expenses of Government contractors that qualify for reimbursement under the provisions of the Code of Federal Regulations, issued pursuant to section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)), may be credited towards costs paid by non-Federal sources to a project, if the expenses meet the other requirements of this section.

(4) SELECTION.—A project under this section shall be competitively selected using procedures determined by the Secretary.

(f) ACCOUNTING.—Any participant that receives funds under this section may generally accepted accounting principles for maintaining accounts, books, and records relating to the project.

(g) DURATION.—No Federal funds shall be made available under this section for a construction project or for any project with a duration of more than 5 years.

(f) SELECTION CRITERIA.—

(1) DEPARTMENTAL MISSIONS.—The Secretary shall allocate funds under this section only if the National Laboratory or single-purpose research facility managing the project determines that the project is likely to improve the ability of the National Laboratory or single-purpose research facility to achieve its mission or the commercial and technical success in meeting departmental missions.

(2) OTHER CRITERIA.—In selecting a project to receive Federal funds, the Secretary shall consider—

(A) the potential of the project to promote the development of commercially sustainable technology cluster following the period of investment by the Department, which will derive most of the demand for its products or services from the public and which will support departmental missions at the participating National Laboratory or single-purpose research facility;

(B) the potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating National Laboratory or single-purpose research facility; and

(C) whether the project involves a wide variety of buildings or items of equipment, including research and development equipment of the Department.

(g) USE OF FUNDS.—None of the funds expended under subsection (b) may be used to participate in procurement and collaborative research activities or increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small businesses; and

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary for activities under this section $10,000,000 for each of fiscal years 2006 through 2008.

SEC. 1003. SMALL BUSINESS ADVOCACY AND ASSISTANCE PROGRAM.

(a) SMALL BUSINESS ADVOCATE.—The Secretary shall require the Director of each National Laboratory, and may require the Director of a single-purpose research facility, to designate a small business advocate to—

(1) increase the participation of small business concerns in the National Laboratory or single-purpose research facility, to establish a program to promote the development of technology-related small businesses that will make substantive contributions to the National Laboratory or single-purpose research facility;

(2) report to the Director of the National Laboratory or single-purpose research facility on the actual participation of small business concerns and, if the Secretary determines that the project is likely to improve the ability of the National Laboratory or single-purpose research facility to achieve its mission or the commercial and technical success in meeting departmental missions, to—

(A) serve as the Science and Technology Advisor to the Secretary;

(B) monitor the research and development programs of the Department in order to advise the Secretary with respect to the use of the programs of the multiple-purpose laboratories under the jurisdiction of the Department;

(C) advise the Secretary with respect to the use of funds under section 1002 of this Act or any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.

(ii) The Under Secretary for Science shall be appointed from among persons who—

(A) have extensive background in scientific or engineering fields; and

(B) are well qualified to manage the civilian research and development programs of the Department.

(iii) The Under Secretary for Science shall—

(A) serve as the Science and Technology Advisor to the Secretary;

(B) monitor the research and development programs of the Department in order to advise the Secretary with respect to the use of the programs of the multiple-purpose laboratories under the jurisdiction of the Department;

(C) advise the Secretary with respect to the use of funds under section 1002 of this Act or any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.

(3) The Under Secretary for Science shall—

(i) A strives to make the programs and activities of the Department as productive as possible in the long-term, and shall, in the exercise of the powers granted by this Act, ensure that the programs and activities of the Department are utilized to the fullest extent possible to achieve the goals of the project;

(ii) The Under Secretary for Energy and Scientific Research and Development programs of the Department shall—

(A) serve as the Science and Technology Advisor to the Secretary;

(B) monitor the research and development programs of the Department in order to advise the Secretary with respect to the use of funds under section 1002 of this Act or any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.

(4) COMPETITIVE SELECTION.—The Secretary shall require the Director of each National Laboratory, and may require the Director of a single-purpose research facility, to establish a program to—

(A) increase the potential of the project to promote the development of technology-related small businesses that will make substantive contributions to the National Laboratory or single-purpose research facility;

(B) increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small businesses; and

(C) establish guidelines for the program under subsection (b) and report on the effectiveness of the program to the Director of the National Laboratory or single-purpose research facility.

(5) ABBREVIATIONS.—The term—

(A) National Laboratory shall mean a facility to achieve its mission or the commercial and technical success in meeting departmental missions;

(B) single-purpose research facility shall mean a facility to achieve its mission or the commercial and technical success in meeting departmental missions.

(g) USE OF FUNDS.—None of the funds expended under subsection (b) may be used to participate in procurement and collaborative research activities; or increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small businesses; and

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary for activities under this section $5,000,000 for each of fiscal years 2006 through 2008.

SEC. 1004. OUTREACH.

The Secretary shall ensure that each program authorized by this Act or an amendment made by this Act includes an outreach component to provide information, as appropriate, to manufacturers, consumers, engineers, architects, builders, energy service companies, institutions of higher education, facility planners and managers, State and local governments, and other entities.

SEC. 1005. RELATIONSHIP TO OTHER LAWS.

Except as otherwise provided in this Act or an amendment made by this Act, the Secretary shall carry out the research, development, demonstration, and commercial application programs, projects, and activities authorized by this Act or an amendment made by this Act in accordance with the applicable provisions of—

(1) the Atomic Energy Act of 1954 (42 U.S.C. 1731 et seq.);

(2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.);


(5) the Bayh-Dole Act (35 U.S.C. 2001 et seq.); and

(6) any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.

SEC. 1006. IMPROVED COORDINATION AND MANAGEMENT OF CIVILIAN SCIENCE AND TECHNOLOGY PROGRAMS.

(a) EFFECTIVE TOP-LEVEL COORDINATION OF RESEARCH AND DEVELOPMENT PROGRAMS.—Section 202(a) of the Department of Energy Organization Act (42 U.S.C. 7132) is amended by striking subsection (b) and inserting the following:

"(b)(1) There shall be in the Department an Under Secretary for Energy who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(3) The Under Secretary for Science shall be appointed from among persons who—

(A) have extensive background in scientific or engineering fields; and

(B) are well qualified to manage the civilian research and development programs of the Department.

(4) The Under Secretary for Science shall—

(i) serve as the Science and Technology Advisor to the Secretary;

(ii) monitor the research and development programs of the Department in order to advise the Secretary with respect to the use of the programs of the multiple-purpose laboratories under the jurisdiction of the Department;

(iii) advise the Secretary with respect to the use of funds under section 1002 of this Act or any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.

(iv) carry out such additional duties assigned to the Under Secretary by the Secretary relating to basic and applied research, including supervision or support of research activities carried out by any of the Assistant Secretaries designated by section 203 of this Act, as the Secretary considers advantageous.

(b) ADDITIONAL ASSISTANT SECRETARY POSITIONS.

(1) IN GENERAL.—Section 202(a) of the Department of Energy Organization Act (42 U.S.C. 7132(a)) is amended in the first sentence by striking "six Assistant Secretaries" and inserting "seven Assistant Secretaries".

(2) ASSISTANT SECRETARY LEVEL.—It is the sense of Congress that the leadership for departmental missions in nuclear energy should be at the Assistant Secretary level.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 202 of the Department of Energy Organization Act (42 U.S.C. 7132) is amended by adding at the end the following:

"(c)(1) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Under Secretary shall prescribe, consistent with this section.

(2) The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(3)(C) There shall be in the Department a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe."
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“(2) The General Counsel shall be com-
pensated at the rate provided for level IV of
the Executive Schedule under section 5315 of
title 5, United States Code.”;

(2) paragraph (3)(A) of title 5, United States
Code, is amended by striking “Secretaries of
Energy (3)” and inserting “‘Secretaries of
Energy (3)”;

(3) paragraph (3)(B) of title 5, United States
Code, is amended by striking “Secretary of
Energy (6)” and inserting “Assistant Secretaries
of Energy (7)”;

(4) in section 5315(h) of the Department of
Energy Organization Act (42 U.S.C. 7139(h)) is
amended by striking paragraph (6) and inserting
the following:

“(6) to carry out such additional duties as
signed to the Office by the Secretary.”.

SEC. 1007. OTHER TRANSACTIONS AUTHORITY.

Section 646 of the Department of Energy
Organization Act (42 U.S.C. 1726) is amended
by adding at the end the following:

“(g)(1) In addition to authority granted to
the Secretary under any other provision of
law, the Secretary may exercise the same authority
to enter into transactions (other than contracts,
cooperative agreements, and grants) subject to
the same terms and conditions as the Secretary of
Defense under section 2371 of title 10, United
States Code (other than subsections (b) and (I)
of that section).

(2) In applying section 2371 of title 10,
United States Code, to the Secretary under
paragraph (1)—

“(A) the term ‘basic’ shall be replaced by
the term ‘research’;

(B) the term ‘applied’ shall be replaced by
the term ‘development’; and

(C) the terms ‘advanced research projects’
and ‘advanced research’ shall be replaced by
the term ‘demonstration projects’.

(3) The authority of the Secretary under
paragraph (1) shall not be subject to—

(A) section 9 of the Federal Nonnuclear
Energy Research and Development Act of 1974
(42 U.S.C. 5908); or

(B) section 152 of the Atomic Energy Act
of 1944 (42 U.S.C. 2182).

(4)(A) The Secretary shall use such competi-
tive, merit-based selection procedures in enter-
ing into transactions under paragraph (1), as
the Secretary determines in writing to be prac-
ticable.

(B) A transaction under paragraph (1) shall
relate to a research, development, or demonstra-
tion project only if the Secretary determines in
writing that a standard contract, grant, or coopera-
tive agreement for the project is not feasible or
appropriate.

(5) The Secretary may protect from disclo-
sure, for 5 years after the date on which
information is developed, any information
developed pursuant to a transaction under
paragraph (1) that would be protected from
disclosure under section 5352(b)(4) of title 5, United
States Code, if obtained from a person other than
a Federal agency.

(6)(A) Not later than 90 days after the date
of enactment of this subsection, the Secretary
shall issue guidelines for transactions under
paragraph (1).

(B) The guidelines shall be published in the
Federal Register for public comment in accord-
ance with rulemaking procedures of the Depart-
ment.

(C) The Secretary shall not have authority
to carry out transactions under paragraph (1)
until the guidelines for transactions required
under subparagraph (A) are final.

(7) The annual report of the head of an exec-
utive agency, prepared under section 2371(h) of the
Department of Energy Act, United States Code, shall be submitted to
Congress.

(8)(A) In this paragraph, the term ‘nontradi-
tional defense contractor’ has the meaning
given the term ‘nontraditional defense con-
tractor’ in section 845(f) of the National Defense
Authorization Act for Fiscal Year 1994 (Public

(B) Not later than 1 year after the date on
which the final guidelines are published
under paragraph (7), the Comptroller General of the
United States shall submit to Congress a report
describing—

(i) the use by the Department of authorities
under this section, including the ability to
attract nontraditional Government contractors;

(ii) whether additional safeguards are nec-
essary to carry out the authorities.

(9) The authority of the Secretary under
this subsection may be delegated only to an officer of
the Department who is appointed by the Depart-
ment by and with the advice and consent of the
Senate.

(10) Notwithstanding any other provision of
law, the authority to enter into transactions
under paragraph (1) shall terminate on Sep-
tember 30, 2010.”.

SEC. 1008. PRIZES FOR ACHIEVEMENT IN GRAND CHALLENGES OF SCIENCE AND TECHNOLOGY.

(a) AUTHORITY.—The Secretary may carry
out a program to award cash prizes in recognition
of breakthrough achievements in research, de-
velopment, demonstration, and commercial applica-
tion that have the potential for application to
the performance of the mission of the Depart-
ment.

(b) COMPETITION REQUIREMENTS.—The
program under subsection (a) may include prizes
for the achievement of goals articulated by the
Secretary in a publicly advertised solicitation of
submissions of results for research, development,
demonstration, or commercial application projects.

(c) PRIZES FOR PROGRESS AND TECHNOLOGIES
TO REDUCE DEPENDENCE ON IMPORTED OIL.—The
Secretary, in cooperation with the Freedom
Prize Foundation, shall support a program of
awarding prizes and giving recognition to
prizes, to encourage and recognize the develop-
ment and deployment of processes and tech-
nologies that serve to reduce the dependence
of the United States on imported oil.

(d) RELATIONSHIP TO OTHER AUTHORITY.—The
program under subsection (a) may be carried out
in conjunction with or in addition to the exer-
cise of any other authority of the Secretary to
acquire, support, or stimulate research, develop-
ment, demonstration, or commercial application
projects.

(e) AUTHORIZATION OF Appropriations.—
There are authorized to be appropriated—

(1) $10,000,000 to carry out the program
under subsection (a) in each of the
fiscal years 2005 through 2010.

(2) $5,000,000 to carry out the program
under subsection (e).
(C) in subsection (c)(3), by striking “Administrative’s” and inserting “Department’s”;  

(8) ACQUISITION OF ESSENTIAL MATERIALS.—Section 12 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 3511) is amended by striking subsection (b) and inserting the following:  

“(b) A rule or order under subsection (a) shall be considered a final rule subject to chapter 8 of title 5, United States Code.”;  

WATER RESOURCE EVALUATION.—Section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 3512) is amended by striking “Administrator” each place it appears and inserting “Secretary”.  

(10) AUTHORIZATION OF APPROPRIATIONS.—Section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 3515) is amended—  

(A) by striking the section heading and inserting the following: “AUTHORIZATION OF APPROPRIATIONS”;

(B) by striking “(a) There may be appropriated to the Administrator and inserting “There may be appropriated to the Secretary”;

(C) by striking subsections (b) and (c).  

(11) CENTRAL SOURCE OF NONNUCLEAR ENERGY INFORMATION.—Section 17 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 3516) is amended—  

(A) by striking “Administrator” each place it appears and inserting “Secretary”;

(B) in the first sentence, by striking “Administrator” and inserting “Secretary”;

(C) in the second sentence, by striking “he” and inserting “the Secretary”;

(D) in the third sentence—  

(i) in paragraph (2) of the first proviso, by striking “section 1015 or title 19” and inserting “section 1005 of title 19”; and

(ii) in subparagraph (B) of the second proviso—  

(I) by striking “the Federal Energy Administration”;

(II) by striking “the Federal Power Commission,” and inserting “the Federal Energy Regulatory Commission”; and

(III) by striking “General Accounting Office” and inserting “Government Accountability Office”;

(E) in the last sentence, by inserting “or ranking minority member” after “chairman”;

(12) ENERGY INFORMATION, LOAN GUARANTEES, AND FINANCIAL SUPPORT.—Sections 18 through 20 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 3517 through 3520) are repealed.

(c) STEVENSON-WYDLER TECHNOLOGY INNOVATION AND DEVELOPMENT.—Section 20 of the Stevenson-Wyder Technology Innovation Act of 1980 (15 U.S.C. 3712) is amended by striking “and the National Science Foundation” and inserting “the Secretary of Energy, and the Director of the National Science Foundation”;

SEC. 1010. UNIVERSITY COLLABORATION.  
Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to the Congress a report that examines the feasibility of promoting collaborations between major universities and other colleges and universities in granting contracts, cooperative agreements made by the Secretary for energy projects. For purposes of this section, major universities are schools listed by the Carnegie Foundation as Doctoral Research Extensive Universities. The Secretary shall also consider providing incentives to increase the inclusion of small institutions of higher education, including minority-serving institutions, in energy grants, contracts, and cooperative agreements.

SEC. 1011. SENSE OF CONGRESS.  
It is the sense of Congress that—  

(1) the Secretary should develop and implement stringent procurement and inventory controls, including controls on the purchase card program, to prevent waste, fraud, and abuse of taxpayer funds by employees and contractors of the Department; and  

(2) the Department’s Inspector General should continue to closely review purchase card purchases and inventory items and practices at the Department.

TITLE XI—PERSONNEL AND TRAINING  
SEC. 1101. WORKFORCE TRENDS AND TRAINEESHIP GRANTS.  
(a) DEFINITIONS.—  
(1) ENERGY TECHNOLOGY INDUSTRY.—The term “energy technology industry” includes—  

(A) a renewable energy industry;  

(B) a company or commercializes a device to increase energy efficiency;  

(C) the oil and gas industry;  

(D) the nuclear power industry;  

(E) the coal industry;  

(F) the electric utility industry; and  

(G) any other industrial sector, as the Secretary determines to be appropriate.  

(2) SKILLED TECHNICAL PERSONNEL.—The term “skilled technical personnel” means—  

(A) journey- and apprentice-level workers who are enrolled in, or have completed, a federally-recognized or State-recognized apprenticeship program; and

(B) other skilled workers in energy technology industries, as determined by the Secretary.  

(b) REQUIREMENTS.—  
(1) GENERAL.—The Secretary, in consultation with the National Science Foundation, in consultation with the Secretary of Labor, shall monitor trends in the workforce of—  

(A) skilled technical personnel that support energy technology industries; and

(B) electric power and transmission engineers.  

(2) MONITORING.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on current trends under paragraph (1), with recommendations (as appropriate) to meet the future labor requirements for the energy technology industries.  

(3) REPORT ON THE SHORTAGE.—As soon as practicable after the date on which the Secretary identifies or predicts a significant national shortage of skilled technical personnel in 1 or more energy technology industries, the Secretary shall submit to Congress a report describing the shortage.  

(c) TRAINEESHIP GRANTS FOR SKILLED TECHNICAL PERSONNEL.—In consultation with the Secretary of Labor, may establish programs in the appropriate offices of the Department under which the Secretary provides grants to educational institutions for training activities identified as critical skills for future workforce development at Department of Energy laboratories, plants, and other Department facilities.  

(1) IN GENERAL.—The Secretary, in consultation with the National Science Foundation, in consultation with the Secretary of Education, shall enter into an arrangement with the National Academy of Public Administration to conduct a study to determine the priorities, quality, local and regional flexibility, and plans for educational programs at Department research and development facilities.  

(2) INCLUSION.—The study shall recommend measures that the Secretary may take to improve Department-wide coordination of educational, workforce development, and critical skills development activities.

(3) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subsection.

SEC. 1102. EDUCATION PROGRAMS IN SCIENCE AND MATHEMATICS.  
(a) SCIENCE EDUCATION ENHANCEMENT FUND.—Section 3164 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381a) is amended by adding at the end:  

“(c) SCIENCE EDUCATION ENHANCEMENT FUND.—The Secretary shall use not less than 0.3 percent of the amount made available to the Department for research, development, demonstration, and commercial application for fiscal year 2006 and each fiscal year thereafter to carry out activities authorized under this section.”

(b) AUTHORIZED EDUCATION ACTIVITIES.—Section 3165 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381b) is amended by adding at the end the following:  

“(1) Support competitive events for students under the supervision of teachers, designed to encourage student interest and knowledge in science and mathematics, and industrial inspection of nonnuclear electric generation, transmission, and distribution systems, including requirements relating to—  

(A) competition;  

(B) certification; and  

(C) assessment, including—  

(i) initial and continuous evaluation of work;

(ii) recertification procedures; and

(iii) methods for examining or testing the qualification of an individual who performs a covered task; and

(2) consolidate training guidelines in existence on the date on which the guidelines under subsection (a) are developed relating to the content, maintenance, and inspection of nonnuclear electric generation, transmission, and distribution facilities, such as
SEC. 1104. NATIONAL CENTER FOR ENERGY MANAGEMENT AND BUILDING TECHNOLOGIES.

The Secretary shall support the ongoing activities of and explore opportunities for expansion of the National Center for Energy Management and Building Technologies to carry out research, education, and training activities to facilitate the improvement of energy efficiency, indoor environmental quality, and security of industrial, commercial, residential, and public buildings.

SEC. 1105. IMPROVED ACCESS TO ENERGY-RELATED SCIENTIFIC AND TECHNICAL CAREERS.

(a) SCIENCE EDUCATION PROGRAMS.—Section 3164 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381a) (as amended by section 1102(a)) is amended by adding the following at the end of paragraph (d):

"(d) PROGRAMS FOR STUDENTS FROM UNDER-REPRESENTED GROUPS.—In carrying out a program under subsection (a), the Secretary shall give priority to activities that are designed to encourage students from under-represented groups to pursue scientific and technical careers, ."

(b) PARTNERSHIPS WITH HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, HISpanic-SERVING INSTITUTIONS, AND TRIBAL COLLEGES.—The Department of Energy Science Education Enhancement Act (42 U.S.C. 7381 et seq.) is amended—

(1) by redesignating sections 3167 and 3168 as sections 3167 and 3169, respectively; and

(2) by inserting after section 3166 the following:

"SEC. 3167. PARTNERSHIPS WITH HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, HISpanic-SERVING INSTITUTIONS, AND TRIBAL COLLEGES.

"(a) DEFINITIONS.—In this section:

"(1) HISpanic-SERVING INSTITUTION.—The term ‘HISpanic-serving institution’ has the meaning given the term ‘hispanic-serving institution’ in section 1104(b) of the Higher Education Act of 1965 (20 U.S.C. 1104(a)).

"(2) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term ‘historically Black college or university’ has the meaning given the term ‘part B institution’ in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1011).

"(3) NATIONAL LABORATORY.—The term ‘National Laboratory’ has the meaning given the term in section 2 of the Energy Policy Act of 2005.

"(4) SCIENCE FACILITY.—The term ‘science facility’ has the meaning given the term ‘single-purpose research facility’ in section 503 of the Higher Education Act of 1965 (20 U.S.C. 1101a).

"(5) TRIBAL COLLEGE.—The term ‘tribal college’ has the meaning given the term ‘tribally controlled college or university’ in section 2(a) of the Tribally Controlled College Assistance Act of 1978 (25 U.S.C. 1801a).

"(b) EDUCATION PARTNERSHIP.—The Secretary shall require the director of each National Laboratory to work with the head of any science facility, to increase the participation of historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges in any activity that increases the capacity of the historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges to train personnel in science or engineering.

"(c) ACTIVITIES.—The activity described in subsection (b) includes—

"(1) collaborative research;

"(2) education programs or transfer;

"(3) training activities carried out at a National Laboratory or science facility; and

"(4) mentoring activities carried out at a National Laboratory or science facility.

"(d) REPORT.—Not later than 2 years after the date of enactment of this subsection, the Secretary shall submit to Congress a report describing the activities carried out under this section.”

SEC. 1106. NATIONAL POWER PLANT OPERATIONS TECHNOLOGY AND EDUCATIONAL CENTER.

(a) ESTABLISHMENT.—The Secretary shall support the establishment of a National Power Plant Operations Technology and Education Center (referred to in this section as the ‘Center’), to address the need for training and educating certified operators and technicians for the electric power industry.

(b) LOCATION OF CENTER.—The Secretary shall support the establishment of the Center at a location of which the Center or a campus that has—

(1) expertise in providing degree programs in electric power generation, transmission, and distribution technologies;

(2) expertise in providing onsite and Internet-based training; and

(3) demonstrated responsiveness to workforce and training requirements in the electric power industry.

(c) TRAINING AND CONTINUING EDUCATION.—

(1) IN GENERAL.—The Center shall provide training and continuing education in electric power generation, transmission, and distribution technologies and operations.

(2) LOCATION.—The Center shall carry out training and education activities under paragraph (1) at—

(A) the Center; and

(B) through Internet-based information technologies that allow for learning at remote sites.

TITLE XII—ELECTRICITY

SEC. 1201. SHORT TITLE.

This title may be cited as the ‘Electricity Modernization Act of 2005’.

Subtitle A—Reliability Standards

SEC. 1211. ELECTRIC RELIABILITY STANDARDS.

(a) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding the following:

"SEC. 215. ELECTRIC RELIABILITY.

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

"(1) The term ‘bulk-power system’ means—

(A) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof); and

(B) electric energy from generation facilities needed to maintain transmission system reliability.

The term does not include facilities used in the local distribution of electric energy.

"(2) The term ‘Electric Reliability Organization’ and ‘ERO’ mean the organization certified by the Commission under subsection (c) the purpose of which is to establish and enforce reliability standards for the bulk-power system, subject to Commission review.

"(3) The term ‘reliability standard’ means a requirement, approved by the Commission under this section, to provide for reliable operation of the bulk-power system. The term includes requirements for the operation of existing bulk-power system facilities, including cybersecurity protection, and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation of the bulk-power system, but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.

"(4) The term ‘reliable operation’ means operating the elements of the bulk-power system within equipment and electric system thermal, voltage, and stability limits so that instability, blackout, or a cascading sequence of such events in such system will not occur as a result of a sudden disturbance, including a cybersecurity incident, or unanticipated failure of system elements.

"(5) The term ‘interconnection’ means a geographic area in which the operation of bulk-power system components is synchronized such that the failure of 1 or more of such components may adversely affect the ability of the operators of other components within the system to maintain reliable operation of the facilities within their control.

"(6) The term ‘transmission organization’ means a Regional Transmission Organization, an Independent System Operator, or other transmission organization finally approved by the Commission for the operation of transmission facilities.

"(7) The term ‘regional entity’ means an entity having enforcement authority pursuant to subsection (e)(4).

"(8) The term ‘cybersecurity incident’ means a malicious act or suspicious event that disrupts, or was an attempt to disrupt, the operation of those programmable electronic devices and communication networks including hardware, software and data that are essential to the reliable operation of the bulk power system.

"(9) The term ‘jurisdiction and applicability’ means the extent to which the Commission has jurisdiction, within the United States, over the Commission-certified transmission organization under this section.

"(10) The Secretary shall issue a final rule to implement the requirements of this section not later than 180 days after the date of enactment of this Act.

"(b) CERTIFICATION.—Following the issuance of a Commission rule under subsection (a)(2), any person may submit an application to the Commission for certification as the Electric Reliability Organization.

"(c) AUTHORITY.—The Commission may certify 1 such ERO if the Commission determines that such ERO—

"(1) has the ability to develop and enforce, subject to subsection (d), reliability standards that provide for an adequate level of reliability of the bulk-power system; and

"(2) has established rules that—

"(A) assure its independence of the users and owners of the bulk-power system, while assuring fair stakeholder representation in the development of its decision-making processes; and

"(B) allocate equitably reasonable dues, fees, and other charges among end users for all activities under this section.

"(d) PROVIDE FOR ROYALTY AND IMPARIAL PROCEDURES FOR ENFORCEMENT OF RELIABILITY STANDARDS THROUGH THE IMPOSITION OF PENALTIES IN ACCORDANCE WITH SUBSEC. (e) (INCLUDING LIMITATIONS ON ACTS, FUNCTIONS, OR OPERATIONS, OR OTHER APPROPRIATE SANCTIONS);

"E) PROVIDE FOR REASONABLE NOTICE AND OPPORTUNITY FOR PUBLIC COMMENT, DU PROCESS, OPENNESS, AND BALANCE OF INTERESTS IN DEVELOPING RELIABILITY STANDARDS AND OTHERWISE EXERCISING ITS DUTIES; AND

"F) PROVIDE FOR CERTIFICATION, APPROPRIATE STEPS TO GAIN RECOGNITION IN CANADA AND ABROAD.

"(g) RELIABILITY STANDARDS.—(1) The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made effective under this section with the Commission.

"(2) The Commission may approve, by rule or order, a proposed reliability standard or modification to a reliability standard that it determines that the standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission shall give due weight to the technical advice of the Electric Reliability Organization with respect to the content of a proposed standard or modification to a
the record before the ERO and opportunity for
for hearing (which hearing may consist solely of
the Commission, after notice and opportunity
by the user, owner or operator that is the sub-
Commission by the user, owner or operator that is the
Such penalty shall be subject to review by the
after the ERO files with the Commission notice
may take effect not earlier than the 31st day

if the ERO, after notice and an opportunity for
the efforts of such user, owner, or operator
shall rebuttably presume that a proposal from a
and should be approved. Such regulation may
mation to a reliability standard that addresses
The Commission may modify such delegation.
EO and the Commission shall rebuttably
between a reliability standard and any function,
Interconnection, but shall not defer with respect
servation a proposed reliability standard or a
purpose of proposing reliability standards to the
ERO and enforcing reliability standards under paragraph (1)—
(A) the regional entity is governed by
(ii) a balanced stakeholder board; or
(i) an independent board;
(B) files notice and the record of the pro-
affirm, set aside, reinstate, or modify the pen-

Section 215(e)(4) of that Act are not depart-
delegated enforcement authority pursuant to
Organization certified by the Federal Energy
power or service of the bulk-power system.
ity, and, if appropriate, remand to the ERO for
and, if, appropriate, remand to the ERO for
(3) On its own motion or upon complaint, the
organization shall continue to comply with such function, rule, order, tariff, rate schedule, or agreement
accepted, approved, or ordered by the Commis-
applicable to a transmission organization.
Such transmission organization shall continue
to affecting the ERO or a regional entity.
The regional advisory body shall be composed of 1 member from
each participating State in the region, ap-
ominated on an Interconnection-wide basis.
compliance with reliability standards for only the

Any penalty imposed under this section
shall have a bearing a serious reason to the serious-
ereation the efforts of such user, owner, or oper-
to remedy the violation in a timely manner.

The ERO and the Commission shall rebuttably
between a reliability standard and any such pro-
provision, and
(1) the ERO shall
shall not defer with respect
ceiency of electric service within that State, as
directly to a regional entity
or to set and enforce compliance with standards
or the Commission to order the construction of
ity, and, if appropriate, remand to the ERO for
ceiency of the violation and shall take into consid-

(2) A penalty imposed under paragraph (1)
shall include fair processes for the identi-
fication and timely resolution of any conflict be-
tween a reliability standard and any function,
rule, order, rate, tariff, schedule, or agreement
accepted, approved, or ordered by the Commis-
applicable to a transmission organization.
Such transmission organization shall continue
to comply with such function, rule, order, tariff,
rate schedule or agreement approved accepted,
or ordered by the Commission until—

The ERO and the Commission shall rebuttably
between a reliability standard and any such pro-

(c) The Commission, after consultation with the
the record in the United States and
Canada and Mexico to provide for effective com-

(1) The ERO shall
conduct periodic assessments of the reliability
and adequacy of the bulk-power system in North
America.

(6) The final rule adopted under subsection
(2) shall include fair processes for the identi-
fication and timely resolution of any conflict be-
tween a reliability standard and any function,
rule, order, tariff, rate schedule, or agreement
accepted, approved, or ordered by the Commis-
applicable to a transmission organization.
Such transmission organization shall continue
to comply with such function, rule, order, tariff,
rate schedule or agreement approved accepted,
or ordered by the Commission until—

(1) The ERO shall
shall not defer with respect
ceiency of electric service within that State, as
directly to a regional entity
or to set and enforce compliance with standards
or the Commission to order the construction of
ity, and, if appropriate, remand to the ERO for

(2) A penalty imposed under paragraph (1)
shall include fair processes for the identi-
fication and timely resolution of any conflict be-
tween a reliability standard and any function,
rule, order, tariff, schedule, or agreement
accepted, approved, or ordered by the Commis-
applicable to a transmission organization.
Such transmission organization shall continue
to comply with such function, rule, order, tariff,
rate schedule or agreement approved accepted,
or ordered by the Commission until—

(1) The ERO shall
shall not defer with respect
ceiency of electric service within that State, as
...
(1) Permit applications under subsection (b) shall be made in consultation with any appropriate regional entity referred to in section 215.

(2) The Commission shall issue rules specifying—

(A) the form of the application;

(B) the information to be contained in the application;

(C) the manner of service of notice of the permit application on interested persons.

(3) COMMENCEMENT OF ACTION. Without prejudice to any provision of law, the Commission shall issue regulations establishing deadlines for review of permit applications and issuing decisions thereon. The regulations shall, to the extent reasonable and economical, facilitate early decision-making consistent with the public interest; and

(4) In determining whether to designate a national interest electric transmission corridor under paragraph (2), the Secretary may consider—

(A) the economic vitality and development of the corridor, or the end markets served by the corridor, may be constrained by lack of adequate or reasonably priced electricity;

(B) the economic growth in the corridor, or the end markets served by the corridor, may be jeopardized by reliance on limited sources of energy; and

(ii) a diversification of supply is warranted;

(C) the energy independence of the United States would be served by the designation;

(D) the designation would be in the interest of national energy policy; and

(E) the designation would enhance national defense and homeland security.

(b) CONSTRUCTION PERMIT.—Except as provided in subsection (i), the Commission may, after notice and an opportunity for hearing, issue 1 or more permits for the construction or modification of transmission electric transmission facilities in a national interest electric transmission corridor designated by the Secretary under subsection (a) if the Commission finds that—

(1) (A) a State in which the transmission facilities are to be constructed or modified does not have authority to—

(i) approve the siting of the facilities; or

(ii) consider the interstate benefits expected to be achieved by the proposed construction or modification of transmission facilities in the State;

(B) the applicant for a permit is a transmitting utility under this Act but does not qualify as a transmission planning entity, or has failed to act by the deadline established by the Secretary pursuant to applicable Federal authorizations and related requirements as required under applicable law.

(c) COMPENSATION.—Just compensation shall be an amount sufficient to ascertain the right-of-way to be located, and the right-of-way may be used for any other purpose, and the right-of-way shall terminate upon the termination of the use for which the right-of-way was acquired.

(d) The practice and procedure in any action or proceeding under this subsection in the district court of the United States shall conform as nearly as practicable to the practice and procedure in any other action or proceeding in the courts of the State in which the property is located.

(e) Nothing in this subsection shall be construed to authorize the use of eminent domain to acquire a right-of-way for any purpose other than the construction, modification, operation, or maintenance of electric transmission facilities and related facilities.

(f) STATE LAW.—Nothing in this section precludes any person from constructing or modifying any transmission facility in accordance with State law.

(g) COORDINATION OF FEDERAL AUTHORIZATIONS FOR TRANSMISSION FACILITIES.—(1) In this subsection:

(A) The term ‘Federal authorization’ means any authorization required under Federal law in order to site a transmission facility.

(B) The term ‘Federal authorization’ includes any permits, certifications, opinions, or other approvals as may be required under Federal law in order to site a transmission facility.

(2) The Department of Energy shall act as the lead agency for purposes of coordinating all applicable Federal authorizations and related environmental reviews of the facility.

(h) FEDERAL AUTHORIZATIONS AND ENVIRONMENTAL REVIEWS. The Secretary shall—

(i) the likelihood of approval for a potential facility; and

(ii) key issues of concern to the agencies and public.

(i) (A) As lead agency, the Secretary, in consultation with the affected agencies, shall prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law.

(B) The Secretary and the heads of other agencies shall streamline the review and permitting of transmission within corridors designated under section 503 of the Federal Land Policy and Management Act (43 U.S.C. 1763) by fully taking into account prior analyses and decisions relating to the corridors.

(C) The document shall include consideration by the relevant agencies of any applicable criteria or other matters as required under applicable law.

(j) (A) If an agency has denied a Federal authorization required under this Act for any reason, including lack of any Federal authorization or has failed to act by the deadline established by the Secretary pursuant to this section for deciding whether to issue the authorization, the Secretary shall not act or any State in which the facility would be located may file an appeal with the President, who shall, in consultation with the affected agency, review the denial or failure to take action on the pending application.

(B) Based on the overall record and in consultation with the affected agency, the President may—

(i) issue the necessary authorization with any appropriate conditions; or

(ii) deny the application.

(C) The President shall issue a decision not later than 90 days after the date of the filing of the appeal.

(D) In making a decision under this paragraph, the President shall comply with applicable Federal authorizations, including any requirements of—

(i) the National Forest Management Act of 1976 (16 U.S.C. 1601 et seq.);

(ii) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(iii) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(iv) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and


(THA) Not later than 18 months after the date of enactment of this section, the Secretary

States, shall conduct a study of electric transmission congestion.

(2) After considering alternatives and recommendations from interested parties including an opportunity for comment from affected States, the Secretary shall issue a report, based on the study, which may designate any geographic area experiencing electric energy transmission congestion or congestion that adversely affects consumers as a national interest electric transmission corridor.

(3) The study shall include the following:

(A) An estimate of the cost of providing additional transmission capacity; and

(B) An estimate of the benefits of providing additional transmission capacity.

(4) The Secretary shall complete the study not later than 2 years after the date of enactment of this Act.

(B) The Secretary shall issue a report, based on the study, that includes a recommendation to the President on whether to designate a national interest electric transmission corridor.

(2) The Secretary shall make the report in consultation with any affected Federal agencies and Indian tribes, multistate entities, and State agencies that are willing to coordinate their own separate permitting and environmental review processes.

The Secretary, in consultation with the President and Federal agencies, shall consider the views of any State agencies or affected Federal agencies that are responsible for conducting any separate permitting and environmental reviews of the facility.
shall issue any regulations necessary to implement this subsection.

"(B)(i) Not later than 1 year after the date of enactment of this section, the Secretary and the heads of all Federal agencies with authority to issue Federal authorizations shall enter into a memorandum of understanding to ensure the timely and coordinated review and permitting of electric transmission facilities.

"(ii) Interested Indian tribes, multistate entities, and State agencies may enter the memorandum of understanding.

'(C) The heads of each Federal agency with authority to issue a Federal authorization shall designate a senior official responsible for, and dedicate sufficient staff and resources to ensure, full implementation of the regulations and memorandum required under this paragraph.

"(B)(i) Each Federal land use authorization for an electricity transmission facility shall be issued—

"(i) for a duration, as determined by the Secretary, commensurate with the anticipated use of the facility; and

"(ii) with appropriate authority to manage the right-of-way for reliability and environmental protection.

"(B) On the expiration of the authorization (including an authorization issued before the date of enactment of this section), the authorization shall be subject to renewal fully into account reliance on such electricity infrastructure, recognizing the importance of the authorization for public health, safety, and economic welfare and as a legitimate use of Federal land.

"(9) In exercising the responsibilities under this section, the Secretary shall consult regularly with—

"(A) the Federal Energy Regulatory Commission;

"(B) electric reliability organizations (including related regional entities) approved by the Commission; and

"(C) Transmission Organizations approved by the Commission.

"(1) INTERSTATE COMPACTS.—(1) The consent of Congress is given for 3 or more contiguous States to enter into an interstate compact, subject to approval by Congress, establishing regional transmission siting agencies to—

"(A) facilitate siting of future electric energy transmission facilities within those States; and

"(B) carry out the electric energy transmission siting responsibilities of those States.

"(2) The Secretary may provide technical assistance to regional transmission siting agencies established under this subsection.

"(3) The regional transmission siting agencies shall have the authority to review, certify, and permit siting of transmission facilities, including facilities in national interest electric transmission corridors (other than facilities on property owned by the United States).

"(4) The Commission shall have no authority to issue a permit for the construction or modification of an electricity transmission facility within a State that is a party to a compact, unless the measure or compact are in disagreement and the Secretary makes, after notice and an opportunity for a hearing, the finding described in subsection (b)(1)(C).

"(5) The relationship to other laws.—(1) Except as specifically provided, nothing in this section affects any requirement of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

"(2) Subsection (b)(6) shall not apply to any unit of the National Park System, the National Wildlife Refuge System, the National Wild and Scenic Rivers System, the National Trails System, the National Wilderness Preservation System, or a National Monument.

"(6) For purposes of this section, not less than 90 days shall be considered a reasonable period of time for review and approval of the Project of a transmission corridor.

"(7) Reports to Congress on corridors and rights of way on Federal lands.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior, the Secretary, the Secretary of Agriculture, and the Chairperson of the Council on Environmental Quality shall submit to Congress a joint report identifying—

"(1) all existing designated transmission and distribution corridors designated under title V of the Federal Power Act and Management Act of 1976 (43 U.S.C. 1760 et seq.);

"(2) the schedule for completing the work;

"(3) any impediments to completing the work; and

"(4) steps that Congress could take to expedite the process.

"(2) The Secretary shall, in consultation with the Administrator of WAPA or SWPA, or both, and the Council on Environmental Quality, develop a description of how the Secretary plans to manage the renewals.

SEC. 1222. THIRD-PARTY FINANCE.

(a) Existing Facilities.—The Secretary, acting through the Administrator of the Western Area Power Administration (hereinafter in this section referred to as "WAPA"), or through the Administrator of the Southwestern Power Administration (hereinafter in this section referred to as "SWPA"), or both, may design, develop, construct, operate, maintain, or own, or participate with other entities in designing, developing, constructing, operating, maintaining, or owning, an electric power transmission facility and related facilities ("Project") needed to upgrade existing transmission facilities owned by WAPA or SWPA if the Secretary, in consultation with the applicable Administrator, determines that the proposed Project—

"(1) is located in a national interest electric transmission grid; and

"(2) is consistent with—

"(A) transmission needs identified, in a transmission expansion plan or otherwise, by the appropriate Transmission Organization (as defined in the Federal Power Act), if any, or approved regional reliability organization; and

"(B) efficient and reliable operation of the transmission grid; and

"(3) would be operated in conformance with prudent utility practice.

"(b) New Facilities.—The Secretary, acting through WAPA or SWPA, or both, may design, develop, construct, operate, maintain, or own, or participate with other entities in designing, developing, constructing, operating, maintaining, or owning, a new electric power transmission facility and related facilities ("Project") located within a State in which WAPA or SWPA operates, if the Secretary, in consultation with the applicable Administrator, determines that the proposed Project—

"(1) is located in an area designated under section 216(a) of the Federal Power Act and will reduce congestion in electric transmission in interstate commerce; or

"(2) is necessary to accommodate an actual or projected increase in demand for electric transmission capacity.

"(c) Nothing in this section affects any requirement of—

"(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

"(2) any Federal or State law relating to the siting of energy facilities; or

"(3) any existing or other permitting statutes.

"(d) SAVINGS CLAUSE.—Nothing in this section shall constrain or restrict an Administrator in the utilization of other authority delegated to the Administrator of WAPA or SWPA.

"(e) SECRETARIAL DETERMINATIONS.—Any determination made pursuant to subsections (a) or (b) shall be based on findings by the Secretary using the best available data.

"(f) MAXIMUM FUNDING AMOUNT.—The Secretary shall not accept and use more than $500,000,000 under subsection (c)(1) for the period encompassing fiscal years 2006 through 2015.

SEC. 1223. ADVANCED TRANSMISSION TECHNOLOGY.

(a) Definition of advanced transmission technology.—In this section, the term "advanced transmission technology" means a technology that increases the capacity, efficiency, or reliability of an existing or new transmission facility, including—

"(1) high-temperature lines (including superconducting cables);

"(2) underground cables;

"(3) advanced conductor technology (including advanced composite conductors, high-temperature superconducting conductors, and thin optic temperature sensing conductors);

"(4) high-capacity ceramic electric wire, conductors, and transformers;

"(5) optimized transmission line configurations (including multiple phased transmission lines);

"(6) modular equipment;

"(7) high-voltage DC transmission;

"(8) ultra-high voltage lines; and

"(9) voltage DC technology.
The term "unregulated transmitting utility" means an electric transmission utility that is comprised, owned, or operated by another entity and that, on December 31, 2004, had revenues or assets that were less than the threshold for regulated transmitting utilities.

(a) DEFINITION OF UNREGULATED TRANSMITTING UTILITIES.—In this section, the term "unregulated transmitting utility" means an entity that—

(1) owns or operates facilities used for the transmission of electric energy in interstate commerce; and

(2) is an entity described in section 201(f).

"(b) TRANSMISSION OPERATION SERVICES.—Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

(1) at rates that are consistent with the unregulated transmitting utility charges itself; and

(2) on terms and conditions (not relating to rates) that are comparable to those under which the unregulated transmitting utility provides transmission services to itself and that are not unduly discriminatory.

(c) EXEMPTION.—The Commission shall exempt from any rule or order under this section any unregulated transmitting utility that—

(1) sells less than 10,000,000 megawatt-hours of electricity per year; and

(2) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion of the system); or

(3) meets other criteria the Commission determines to be in the public interest.

(d) LOCAL DISTRIBUTION FACILITIES.—The requirements of subsection (b) shall not apply to facilities used in local distribution.

(1) APPLICATION TO UNREGULATED TRANSMITTING UTILITIES.—The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

(2) REMAND.—In exercising authority under subsection (b)(1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision if necessary to meet the requirements of subsection (b).

(3) OTHER REQUESTS.—The provision of transmission services under subsection (b) does not preclude a request for transmission services under section 211.

(4) LIMITATION.—The Commission may not require an unregulated transmitting utility to take action under this section that would violate a private activity bond rule for purposes of section 141 of the Internal Revenue Code of 1986.

(5) TRANSFER.—Nothing in this section authorizes the Commission to require an unregulated transmitting utility to transfer control or operational control of a transmission service to a Transmission Organization that is designated to provide nondiscriminatory transmission access.

SEC. 1232. FEDERAL UTILITIES PARTICIPATION IN TRANSMISSION ORGANIZATIONS.

(a) DEFINITIONS.—In this section:

(1) A PPROPRIATE FEDERAL REGULATORY AUTHORITY.—The term "appropriate Federal regulatory authority" means—

(A) in the case of a Federal power marketing agency, the Secretary of the Interior; or

(B) in the case of the Tennessee Valley Authority, the Board of Directors of the Tennessee Valley Authority.

(2) FEDERAL POWER MARKETING AGENCY.—The term "Federal power marketing agency" has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(3) FEDERAL TRANSMISSION FACILITIES.—The term "Federal transmission facilities" means—

(A) Federal power marketing agencies; and

(B) the Tennessee Valley Authority.

(4) TRANSMISSION ORGANIZATION.—The term "Transmission Organization" has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(5) TRANSMISSION SYSTEM.—The term "transmission system" means an electric transmission system that is comprised, owned, or operated by a Federal utility, an Electric Power Marketing Agreement, or a Transmission Organization.

(b) TRANSFER.—The Commission shall—

(1) require an unregulated transmitting utility to provide transmission services to a Federal utility or an Electric Power Marketing Agreement; and

(2) require an unregulated transmitting utility to provide transmission services to a Transmission Organization.

(3) Provision of Transmission Services.—The Federal utility or Electric Power Marketing Agreement shall, directly or through one or more additional State utilities or electric cooperatives, provide electric service to end-users.

The appropriate Federal regulatory authority may enter into a contract, agreement, or other arrangement transferring control and use of all or part of the transmission system of a Federal utility to a Transmission Organization.

(c) CONTENTS.—The contract, agreement, or arrangement shall include—

(1) performance standards for operation and use of the transmission system; and

(2) the Federal utility determines are necessary or appropriate, including standards that ensure—

(A) recovery of all of the costs and expenses of the Federal utility related to the transmission facilities that are the subject of the contract, agreement, or other arrangement; and

(B) to the extent consistent with the availability of, and the costs and expenses of, any Federal utility, the transmission system.

(3) Federal utility operates, maintains, and controls the transmission system.

(4) the Federal utility agrees to continue to provide the transmission services at such levels of service as the Federal utility determines are necessary or appropriate, and in accordance with any requirements or other arrangements.

(b) TRANSFER.—The Commission shall—

(1) require an unregulated transmitting utility to provide transmission services to a Federal utility or an Electric Power Marketing Agreement; and

(2) require an unregulated transmitting utility to provide transmission services to a Transmission Organization.

(c) CONTENTS.—The contract, agreement, or arrangement shall include—

(1) performance standards for operation and use of the transmission system; and

(2) the Federal utility determines are necessary or appropriate, including standards that ensure—

(A) recovery of all of the costs and expenses of the Federal utility related to the transmission facilities that are the subject of the contract, agreement, or other arrangement; and

(B) to the extent consistent with the availability of, and the costs and expenses of, any Federal utility, the transmission system.

(c) FEDERAL UTILITIES PARTICIPATION IN TRANSMISSION ORGANIZATIONS.

The Federal utility shall, directly or through one or more additional State utilities or electric cooperatives, provide electric service to end-users.
The term ‘load-serving entity’ means a distribution utility or an electric utility that has a service obligation.

The term ‘service obligation’ means a requirement or the extension of electric power or electric energy to the consumer by a distribution utility or electric utility that is owned, directly or indirectly, by any 1 or more of the foregoing, competent to carry on the business of furnishing electric energy, transmitting, utilizing, or distributing power.

The term ‘State’ means a State or any political subdivision of a State, or any agency, authority, or instrumentality of any 1 or more of the foregoing, competent to carry on the business of furnishing electric energy, transmitting, utilizing, or distributing power.

The term ‘transmission service obligation’ means a transmission service obligation subject to a proposal for development and implementation of an organized electricity market.

The term ‘firm transmission rights’ means firm transmission rights described in subsection (a) of section 212(b)(3) as applied to firm transmission rights.

The term ‘service obligation’ means a service obligation subject to a proposal for development and implementation of an organized electricity market.

The term ‘load-serving entity’ means a State or any political subdivision of a State, or any agency, authority, or instrumentality of any 1 or more of the foregoing, competent to carry on the business of furnishing electric energy, transmitting, utilizing, or distributing power.

Meeting Service Obligations.—(1) Paragraph (2) applies to any load-serving entity that, as of the date of enactment of this section—

(A) owns generation facilities, markets the output of Federal generation facilities, or holds rights under 1 or more wholesale contracts to purchase electric energy, for the purpose of meeting a service obligation; and

(B) by reason of ownership of transmission facilities, such contracts or service agreements for firm transmission service, holds firm transmission rights for delivery of the output of the generation facilities or the purchased energy to meet the service obligation.

(2) Any load-serving entity described in paragraph (1) is entitled to use the firm transmission service, or other firm transmission service, to the extent that such load-serving entity desires to use such firm transmission service, or other firm transmission service, to meet the service obligations of the load-serving entity.

(3)(A) To the extent that all or a portion of the load-serving entity’s firm transmission rights or equivalent tradable or financial transmission rights is transferred to another load-serving entity, the successor load-serving entity shall be entitled to use the firm transmission rights or equivalent tradable or financial transmission rights associated with the transferred service obligation.

(B) Subsequent transfers to another load-serving entity, or back to the original load-serving entity, shall be entitled to the same rights.

(4) The Commission shall exercise the authority of the Commission under this Act in a manner that facilitates the planning and expansion of transmission facilities to meet the reasonable and unbundled transmission needs of the load-serving entities and, at the same time, to the extent required to meet the service obligation of the load-serving entity.

(5) Nothing in this section affects the requirements of section 212(a).

Jurisdiction.—This section does not authorize the Commission to take any action not otherwise within the jurisdiction of the Commission.

TV Area.—(1) Subject to paragraphs (2) and (3), for purposes of subsection (b)(1)(B), a load-serving entity that is located within the service area of the Tennessee Valley Authority and that has a firm wholesale power supply contract with the Tennessee Valley Authority shall be considered to hold firm transmission rights for the transmission of the power provided.

(2) Nothing in this subsection affects the requirements of section 212(a).

The Commission shall not issue an order on the basis of this subsection that is contrary to the purposes of section 212(b).

Effect of Exercising Rights.—An entity that to the extent required to meet its service obligations exercises rights described in subsection (b) shall not be considered by such action as engaging in undue discrimination or preference under this Act.

FERC Rulemakings on Long-Term Transmission Rights in Organized Markets.—With respect to a proposal to develop and implement a transmission service obligation subject to a proposal for development and implementation of an organized electricity market, the Commission shall by rule or order, implement section 217(b)(4) of the Federal Power Act in Transmission Organizations, as defined by the Act with organized electricity markets.

Study on the Benefits of Electric Utilities to Perform Economic Dispatch; and

The potential benefits to residential, commercial, and industrial electricity consumers nationally and in each state if economic dispatch procedures were revised to improve the ability of electric utilities to meet demand on a real-time basis and not unduly discriminatory or preferential.

Obligation to Build.—Nothing in this Act relieves a load-serving entity from any obligation under Section 212 of the Act to build transmission facilities, or to hold transmission or distribution facilities adequate to meet the service obligations of the load-serving entity.

Contracts.—Nothing in this section shall provide a basis for abrogating any contract or service agreement for transmission service or rights in effect as of the date of enactment of this Act.

Alarming increases in electric energy prices in the West are likely to result in a wholesale market collapse there.

Protection of Transmission Contracts.—Nothing in this Act confers on the Commission the authority to require an electric utility or person to convert to tradable or financial rights.

Protection of Transmission Contracts.—Nothing in this Act confers on the Commission the authority to require an electric utility or person to convert to tradable or financial rights.

In 1995, the then Democratic leadership of the House and Senate recommended changes to the federal energy policy.

Some states have approved changes to their retail electricity markets, particularly in the West, where wholesale electricity rates are generally believed to be lower than in other regions.

Sense of Congress Regarding Location of Installed Capacity Mechanism.—(a) Findings.—The Secretary, in coordination with the states, shall conduct a study to determine the potential benefits to residential, commercial, and industrial electricity consumers nationally and, in each state if economic dispatch procedures were revised to improve the ability of electric utilities to meet demand on a real-time basis and not unduly discriminatory or preferential.

The term ‘economic dispatch’ when used in this Act means the operation of generating resources to offer their output for sale for the purpose of inclusion in economic dispatch; and

Title V of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

SEC. 1214. TRANSMISSION INFRASTRUCTURE INVESTMENT.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

Subtitle D—Transmission Rate Reform

The term ‘economic dispatch’ when used in this Act means the operation of generating resources to offer their output for sale for the purpose of inclusion in economic dispatch; and
SEC. 121. TRANSMISSION INFRASTRUCTURE INVESTMENT.

(a) RULEMAKING REQUIREMENT.—Not later than 1 year after the date of enactment of this section, the Commission shall establish, by rule, incentive-based (including performance-based) rate treatments for the transmission of electric energy in interstate commerce by public utilities for the purpose of benefitting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmission congestion.

(b) The rule shall—

(1) promote reliable and economically efficient transmission and generation of electricity by promoting capital investment in the enlargement, modernization, and maintenance, and operation of all facilities for the transmission of electric energy in interstate commerce, regardless of the ownership of the facilities;

(2) provide a return on equity that attracts new investment in transmission facilities and improve the operation of the facilities; and

(3) allow recovery of—

(A) all prudently incurred costs necessary to comply with mandatory reliability standards issued pursuant to section 215; and

(B) prudently incurred costs related to transmission infrastructure development pursuant to section 216.

(c) INCENTIVES.—In the rule issued under this section, the Commission shall, to the extent within its jurisdiction, provide for incentives to each transmitting utility or electric utility that joins a Transmission Organization. The Commission shall ensure that any costs recoverable pursuant to this subsection may be recovered by such utility through the transmission rates charged by such utility or through the transmission rates of the Transmission Organization that provides transmission service to such utility.

(d) JUST AND REASONABLE RATES.—All rates approved under the rules adopted pursuant to this section, including any revisions to the rules, are subject to the requirements of sections 205 and 206 that all rates, charges, terms, and conditions be just and reasonable and not unduly discriminatory or preferential.

SEC. 1242. FUNDING NEW INTERCONNECTION AND TRANSMISSION UPGRADES.

The Commission shall approve a participant funding plan that allocates costs related to transmission upgrades or new generator interconnection, without regard to whether an applicant is a member of a Commission-approved Transmission Organization, if the plan results in rates that—

(1) are just and reasonable;

(2) are not unduly discriminatory or preferential; and

(3) are otherwise consistent with sections 205 and 206 of the Federal Power Act (16 U.S.C. 824d, 824e).

Subtitle E—Amendments to PURPA

SEC. 1251. NET METERING AND ADDITIONAL STANDARDS.

(a) ADOPTION OF STANDARDS.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

"(12) FUEL SOURCES.—Each electric utility shall develop a plan to minimize dependence on 1 fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of reliable technologies, including renewable technologies.

(13) FOSSIL FUEL GENERATION EFFICIENCY.—

Each electric utility shall develop and implement a plan to maximize the efficiency of its fossil fuel generation.".

(b) COMPLIANCE.—

(1) TIME LIMITATIONS.—Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding at the end the following:

"(3)(A) Not later than 2 years after the enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall complete the consideration referred to in section 111, or set a hearing date for such consideration, with respect to each standard established by paragraphs (11) through (13) of section 111(d).

(B) Not later than 3 years after the date of the enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall complete the consideration referred to in section 111, or set a hearing date for such consideration, with respect to each standard established by paragraphs (11) through (13) of section 111(d).

(2) FAILURE TO COMPLY.—Section 112(c) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(c)) is amended by adding at the end the following:

"In the case of each standard established by paragraphs (11) through (13) of section 111(d), the reference contained in this subsection to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of such paragraphs (11) through (13).

(3) PRIOR STATE ACTIONS.—In general—

(A) Section 112 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622) is amended by adding at the end the following:

"(8) PRIOR STATE ACTIONS.—Subsections (b) and (c) of this section shall not apply to the standards established by paragraphs (11) through (13) of section 111(d) in the case of any electric utility subject to section 111(d) before the enactment of this section—

(1) the State has implemented for such utility the standard concerned (or a comparable standard);

(2) the State regulatory authority for such State or relevant nonregulated electric utility has considered and rejected any request to consider implementation of the standard concerned (or a comparable standard) for such utility;

(3) the State legislature has voted on the implementation of such standard (or a comparable standard) for such utility;"

(4) CROSS REFERENCE.—Section 124 of such Act (16 U.S.C. 2634) is amended by adding the following at the end thereof:

"In the case of each standard established by paragraphs (11) through (13) of section 111(d), the reference contained in this subsection to the date of enactment of such standard is deemed to be a reference to the date of enactment of such paragraphs (11) through (13).

(11) SMART METERING.

(a) IN GENERAL.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(d)) is amended by adding at the end the following:

"(14) TIME-BASED METERING AND COMMUNICATIONS.—(A) Not later than 18 months after the date of enactment of this paragraph, each electric utility shall offer each of its customer classes, and provide individual customers upon customer request, metering and communications devices under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility’s costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule shall enable the electric consumer to manage energy use through advanced metering and communications technology.

(B) The types of time-based rate schedules that may be offered under the schedule referred to in paragraph (A) include, among others—

(i) ‘‘(i) time-of-use pricing whereby electricity prices are set for a specific time period on an advance or forward basis, typically not changing more often than twice a year, based on the utility’s cost of generating and/or purchasing such electricity at the wholesale level for the benefit of all customers. Such time-based rates shall be perpetual and known to consumers in advance of such consumption, allowing them to vary their demand and usage in response to such prices and manage their energy expenses through a range of options to reduce their cost per kilowatt hour for energy consumed during periods of high or low demand;” and

(ii) ‘‘(ii) critical peak pricing whereby time-of-use prices are in effect except for certain peak days, when prices may reflect the costs of generating and/or purchasing electricity at the wholesale level when consumers use additional amounts of electricity, and may change as often as once per hour;” and

(iii) ‘‘(iii) time-of-use pricing whereby electricity prices are set for a specific time period on an advanced or forward basis, reflecting the utility’s cost of generating and/or purchasing electricity at the wholesale level, and may change as often as once per hour;” and

(iv) ‘‘(iv) credits for consumers with large loads who enter into pre-established peak load reduction agreements that reduce a utility’s planned capacity obligations.”

(C) Each electric utility subject to subparagraph (A) shall provide each customer requesting a time-based rate with a time-based meter at a reasonable cost, enabling the customer to offer and receive such rate, respectively.

(D) For purposes of implementing this paragraph, the reference contained in this subsection to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

(E) In a State that permits third-party marketers to sell electric energy to retail electric consumers, such consumers shall be entitled to receive the same time-based metering and communications devices and service as a retail electric consumer of the electric utility.

(F) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall, not later than 18 months after the date of enactment of this paragraph conduct an investigation in accordance with section 115(c) and issue a decision whether it is appropriate to implement the standards set out in subparagraphs (A) and (C)."

(b) STATE INVESTIGATION OF DEMAND RESPONSE AND TIME-BASED METERING.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended as follows:

(1) By inserting in subsection (b) after the phrase "the information that shall be established by section 111(d)(3)" the following:

"and the standards for time-based metering and communications established by section 111(d)(14)"

(2) By inserting in subsection (b) after the phrase "are likely to exceed the metering" the following:

"(and communications) receive adequate time-based meters and communications devices
for each of their customers which enable such customers to participate in time-based pricing rate schedules and other demand response programs.

(c) FEDERAL ASSISTANCE ON DEMAND RESPONSE.—Section 132(a) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2624(a)) is amended by striking “and” at the end of paragraph (4) and inserting “; and”;

(d) FEDERAL GUIDANCE.—Section 132 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2624) is amended by adding the following at the end thereof:

“(d) DEMAND RESPONSE.—The Secretary shall be responsible for—

(1) educating consumers on the availability, advantages, and benefits of advanced metering and communications technologies, including the funding of demonstration or pilot projects;

(2) working with States, utilities, other energy providers and advanced metering and communications experts to identify and address barriers to the adoption of demand response programs;

(3) developing plans and programs to use demand response to respond to peak demand or emergency situations;

(4) identifying specific measures consumers can take to participate in these demand response programs;

(5) mandating that each electric utility, on a regional basis, ensure that at least 10% of the annual peak electricity demand is met by demand response and each nonregulated electric utility shall follow the same standard.

“(e) DEMAND RESPONSE AND REGIONAL COORDINATION.—(1) IN GENERAL.—It is the policy of the United States to encourage States to coordinate, on a regional basis, State energy policies to provide reliable and affordable demand response services to the public.

(2) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to States and regional organizations formed by 2 or more States to assist them in—

(A) identifying the areas with the greatest demand response potential;

(B) identifying and resolving problems in transmission and distribution networks, including the technology needs of demand response systems;

(C) developing plans and programs to use demand response to respond to peak demand or emergency situations;

(D) identifying specific measures consumers can take to participate in these demand response programs;

(3) REPORT.—Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Commission shall prepare and publish an annual report, by appropriate region, that assesses demand response resources, including those available from all consumer classes, and which identifies and reviews—

(A) the market penetration rate of advanced meters and communications technologies, devices and systems;

(B) existing demand response programs and time-based rate schedules; and

(C) the annual resource contribution of demand resources.

(4) POTENTIAL FOR DEMAND RESPONSE AS A QUINTESSENTIAL RELIABLE SOURCE FOR REGIONAL PLANNING PURPOSES.—(A) In the case of a request for a transmission planning study by a State or regional organization, the transmission planning study shall be managed and reviewed by an independent organization and the results thereof shall be made public.

(B) In the case of the implementation of demand response programs, the Secretary is directed to make available to the public a comprehensive list of all demand response programs and the results thereof.

(5) DEMAND RESPONSE DEVICES.—It is the policy of the United States that time-based pricing and other forms of demand response, whereby electricity customers are provided with electricity price signals and the ability to benefit by responding to them, shall be encouraged, the deployment of such technology and devices that enable electricity customers to participate in such pricing and demand response systems shall be facilitated, and such programs or measures required by this section if the Commission finds that the qualifying cogeneration facility or qualifying small power production facility has non-discriminatory access to:

(i) transmission and interconnection services that are provided by a Commission-approved regional transmission entity which is interconnected to the electric utility grid and is capable of interchanging power with the electric utility grid;

(ii) transmission and interconnection services that are provided by an open access transmission service provider that is interconnected to the electric utility grid;

(iii) transmission and interconnection services that are provided by an open access transmission service provider that is interconnected to the electric utility grid.

SEC. 1253. COGENERATION AND SMALL POWER PRODUCTION MANDATORY PURCHASE AND SALE REQUIREMENTS.

(a) TERMINATION OF MANDATORY PURCHASE AND SALE REQUIREMENTS.—Section 219 of the Federal Power Act (16 U.S.C. 824a–3) is amended by adding at the end the following:

“(m) TERMINATION OF MANDATORY PURCHASE AND SALE REQUIREMENTS.—

“(1) OBLIGATION TO PURCHASE.—After the date of enactment of this subsection, no electric utility shall be required to enter into a contract or obligation to purchase electric energy from a qualifying cogeneration facility or a qualifying small power production facility unless the electric utility has made a finding under paragraph (2) that the electric utility has had adequate opportunity to purchase electric energy under this section. Such application shall set forth the factual basis

(2) REVISED PURCHASE AND SALE OBLIGATION FOR NEW FACILITIES.—(A) After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase from or sell electric energy to a facility that is not an existing qualifying cogeneration facility or qualifying small power production facility unless the facilities established by the Commission pursuant to the rulemaking required by subsection (n).

(B) For the purposes of this paragraph, the term ‘existing qualifying cogeneration facility’ means a facility that—

(i) was a qualifying cogeneration facility on the date of enactment of this subsection;

(ii) had filed with the Commission a notice of certification, self-recertification or an application for Commission certification under 18 C.F.R. Part 207 prior to the date on which the Commission issues the final rule required by subsection (n).

(3) COMMISSION REVIEW.—Any electric utility may file an application for relief from the mandatory purchase obligation pursuant to this subsection on a service territory-wide basis. Such application shall set forth the factual basis upon which relief is requested and describe why the conditions set forth in subparagraphs (A) or (B) of this subsection have not been met. After notice, including providing notice to potentially affected qualifying cogeneration facilities and qualifying small power production facilities, and an opportunity for comment, the Commission may make a final determination within 90 days of such application regarding whether the conditions set forth in subparagraphs (A) or (B) of this subsection have been met.

(4) RESIGNMENT OR CANCELLATION OF OBLIGATION TO PURCHASE.—At any time after the Commission makes a finding under paragraph (3) relieving an electric utility of its obligation to purchase electric energy, a qualified cogeneration facility, a qualified small power production facility, a State agency, or any other affected person may apply to the Commission for an order regranting the electric utility’s obligation to purchase electric energy under this section. Such application shall set forth the factual basis
upon which the application is based and describe why the conditions set forth in subparagraphs (A), (B) or (C) of paragraph (1) of this subsection are no longer met. After notice, including an opportunity for public hearing, the Commission shall issue an order within 90 days of such application reinstating the electric utility’s obligation to purchase electric energy from a qualifying cogeneration facility or a qualifying small power production facility under this section if the Commission finds that the conditions set forth in subparagraphs (A), (B) or (C) of paragraph (1) which relected the obligation to purchase electric energy are no longer met.

(5) OBLIGATION TO SELL.—After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase electric energy from a qualifying cogeneration facility or a qualifying small power production facility under this section if the Commission finds that—

(A) competing retail electric suppliers are willing and able to sell and deliver electric energy to the qualifying cogeneration facility or qualifying small power production facility; and

(B) the electric utility is not required by State law to sell electric energy in its service territory.

(6) NO EFFECT ON EXISTING RIGHTS AND REMEDIES.—Nothing in this subsection affects the rights or remedies of any party under any contract or obligation, in effect or pending approval before the date of enactment of this Act, relating to the purchase of electric energy or capacity from, or to sell electric energy or capacity to, a qualifying cogeneration facility or qualifying small power production facility under this Act (including the right to recover costs of purchasing electric energy or capacity).

(7) RECOVERY OF COSTS.—(A) The Commission shall issue and enforce such regulations as are necessary to ensure that an electric utility that purchases electric energy or capacity from a qualifying cogeneration facility or qualifying small power production facility in accordance with any legally enforceable obligation entered into or imposed under this section recovers all prudently incurred costs associated with the purchase.

(B) A regulation under subparagraph (A) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act (16 U.S.C. 77a et seq.).

(n) RULEMAKING FOR NEW QUALIFYING FACILITIES.—(1)(A) Not later than 180 days after the date of enactment of this section, the Commission shall issue a rule revising the criteria in 18 C.F.R. 292.205 for new qualifying cogeneration facilities seeking to sell electric energy pursuant to section 210 of this Act to ensure—

(i) that the thermal energy output of a new qualifying cogeneration facility is used in a productive and beneficial manner;

(ii) the electrical, thermal, and chemical output of a new qualifying cogeneration facility is used fundamentally for industrial, commercial, or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account the potential for unfavorable economic conditions and variable thermal energy requirements, as well as State laws applicable to sales of electric energy from a qualifying facility to its host facility;

(iii) continuing progress in the development of efficient electric energy generation technologies;

(B) The rule issued pursuant to paragraph (1)(A) of this subsection shall be applicable only to facilities that seek to sell electric energy pursuant to this Act. For all other purposes, except as specifically provided in subsection (m)(2)(A), qualifying facility status shall be determined in accordance with the rules and regulations in effect before the date of enactment of this Act.

(2) Notwithstanding rule revisions under paragraph (1), the Commission’s criteria for qualifying cogeneration facilities in effect prior to the date on which the Commission issues the final rule required by paragraph (1) shall continue to apply to any cogeneration facility that—

(A) was a qualifying cogeneration facility on the date of enactment of subsection (m), or

(B) had filed with the Commission a notice of self-certification of qualification or an application for Commission certification under 18 C.F.R. 292.207 prior to the date on which the Commission issues the final rule required by paragraph (1).

(b) ELIMINATION OF OWNERSHIP LIMITATIONS.—

(1) QUALIFYING SMALL POWER PRODUCTION FACILITY.—

(a) Adoption of Standards.—Section 112(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended to read as follows:

(1) meaning a small power production facility that the Commission determines, by rule, meets such requirements (including requirements respecting fuel use, fuel efficiency, and reliability) as the Commission may, by rule, prescribe;

(2) QUALIFYINGCogENERATION FACILITY.—

Section 3(10)(B) of the Federal Power Act (16 U.S.C. 796(10)(B)) is amended to read as follows:

(B) "qualifying cogeneration facility" means a cogeneration facility that the Commission determines, by rule, meets such requirements (including requirements respecting minimum size, fuel use, and fuel efficiency) as the Commission may, by rule, prescribe;.

SEC. 1254. INTERCONNECTION.

(a) ADOPTION OF STANDARDS.—Section 112(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

(15) INTERCONNECTION.—Each electric utility shall make electric energy or capacity to a qualifying cogeneration facility or qualifying small power production facility in accordance with any legally enforceable obligation entered into or imposed under this section, collectively the consumer must, for the purposes of this section, be deemed to be a reference to the date of enactment of subsection (m) of this section.

(b) COMPLIANCE.—

(1) TIME LIMITATIONS.—Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding at the end the following:

(5)(A) Not later than one year after the enactment of this subsection, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall commence the consideration referred to in section 111, or set a hearing date for consideration, with respect to the standard established by paragraph (15) of section 111.

(B) Not later than two years after the date of enactment of the this subsection, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall complete the consideration, and shall make the determination, referred to in section 111 with respect to each standard established by paragraph (15) of section 111.

(2) FAILURE TO COMPLY.—Section 112(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(c) is amended by adding at the end the following: “In the case of the standard established by paragraph (15), the reference contained in this subsection to the date of enactment of this section shall be deemed to be a reference to the date of enactment of paragraph (15).”.

(3) PRIOR STATE ACTIONS.—

(A) IN GENERAL.—Section 112 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622) is amended by adding at the end the following:

(1) PRIOR STATE ACTIONS.—Subsections (b) and (c) of this section shall not apply to the standard established by paragraph (15) of section 112 if the State regulatory authority for such utility in a State if, before the enactment of this subsection—

(1) the State has implemented for such utility the standard concerned (or a comparable standard);

(2) the State regulatory authority for such utility in a State if, before the enactment of this subsection, to purchase electric energy or capacity from or to sell electric energy or capacity to a qualifying cogeneration facility or qualifying small power production facility in accordance with any legally enforceable obligation entered into or imposed under this section, collectively the consumer must, for the purposes of this section, be deemed to be a reference to the date of enactment of subsection (m) of this section.

Subtitle F—Repeal of PUHCA

SEC. 1261. SHORT TITLE.

This Subtitle may be cited as the “Public Utility Holding Company Act of 2005”.

SEC. 1262. DEFINITIONS.

For purposes of this subtitle—

(1) “Company” means any company, 5 percent or more of the outstanding voting securities of which are owned, controlled, or held with power to vote, directly or indirectly, by such company.

(2) “Associate Company.”—The term “associate company” of any company means any company in the same holding company system with such company.


(4) “Company.”—The term “company” means a corporation, partnership, association, joint stock company, business trust, or any organized group of persons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing.

(5) “Electric Utility Company.”—The term “electric utility company” means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale.

(6) “Exempt Wholesale Generator and Foreign Utility Company.”—The terms “exempt wholesale generator” and “foreign utility company” have the same meanings as in sections 32 and 33 of the Bank Holding Company Act of 1935 (15 U.S.C. 79b–5a, 79b–5b), as those sections existed on the day before the effective date of this subtitle.

“Gas Utility Company.”—The term “gas utility company” means any company that owns or operates facilities used for the distribution of natural or manufactured gas for heat, light, or power.

“(8) Holding Company.”—

(A) IN GENERAL.—The term “holding company” includes—

(i) any company that directly or indirectly owns, controls, or holds, with power to vote, 10
percent or more of the outstanding voting securities of a public-utility company or of a holding company of any public-utility company; and
(ii) any person, determined by the Commission or by a court of appropriate jurisdiction, to have been or to have had control, or hold, with the power to vote, public utility or public utility holding company securities so long as the securities are—
(I) held as collateral for a loan;
(II) held in the ordinary course of business as a fiduciary; or
(III) acquired solely for purposes of liquidation and in connection with a loan previously contractually and beneficially held for a period of not more than two years; or
(ii) a broker or dealer that owns, controls, or holds with the power to vote public utility or public utility holding company securities so long as the securities are—
(I) not beneficially owned by the broker or dealer and are subject to any voting instructions which may be given by customers or their agents; or
(II) acquired within 12 months in the ordinary course of business as a broker, dealer, or underwriter of a security primarily intended for distribution of the specific securities so acquired.

(9) HOLDING COMPANY SYSTEM.—The term “holding company system” means a holding company, together with its subsidiary companies.

(10) JURISDICTIONAL RATES.—The term “jurisdictional rates” means rates accepted or established by the Commission for the transmission of electric energy in interstate commerce, the sale in interstate commerce of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate use in interstate commerce.

(11) NATURAL GAS COMPANY.—The term “natural gas company” means a person engaged in the transportation of natural gas in interstate commerce or the sale of such gas in interstate commerce for resale.

(12) PERSON.—The term “person” means an individual or company.

(13) PUBLIC UTILITY.—The term “public utility” means any person who owns or operates facilities used for transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce.

(14) PUBLIC-UTILITY COMPANY.—The term “public-utility company” means an electric utility company or a natural gas company.

(15) STATE COMMISSION.—The term “State commission” means any commission, board, agency, or officer, by whatever name designated, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies.

(16) SUBSIDIARY COMPANY.—The term “subsidiary company” of a holding company means—
(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and
(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with 1 or more other persons) such a controlling influence is necessary for the rate protection of utility customers with respect to rates with such person subject to the obligations, duties, and liabilities imposed on such subsidiary companies of holding companies.

(17) VOTING SECURITY.—The term “voting security” means any security presently entitled to vote for the direction or management of the affairs of a company.

SEC. 1263. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.


SEC. 1264. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) In General.—Each holding company and each associate company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of a holding company shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate, as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records maintained by a holding company system, or any affiliate thereof, as the Commission determines are relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(d) CONFIDENTIAL DATA.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his or her knowledge during the course of examination of books, accounts, memoranda, and other records as provided in this section, except as may be directed by the Commission or by a court of competent jurisdiction.

SEC. 1265. STATE ACCESS TO BOOKS AND RECORDS.

(a) In General.—Upon the written request of a State commission having jurisdiction to regulate a public-utility company in a holding company system, the holding company or any associate company or affiliate thereof, other than such public-utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—
(1) have been identified in reasonable detail in a proceeding before the State commission;
(2) the State commission determined are relevant to costs incurred by such public-utility company; and
(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) LIMITATION.—Subsection (a) does not apply to any person that is a holding company system, or sole or sole remaining, or one or more qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.).

(c) CONFIDENTIALITY OF INFORMATION.—The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

SEC. 1266. APPlicability.

Except as otherwise specifically provided in this subtitle, nothing in this subtitle shall limit the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) to require that jurisdictional rates are just and reasonable, including the ability to deny or approve the pass through of costs, the prevention of cross-subsidization, and the issuance of such rules and regulations as are necessary or appropriate for the protection of utility customers.

SEC. 1267. AFFILIATE TRANSACTIONS.

(a) COMMISSION AUTHORITY UNAFLECTED.—Nothing in this subtitle shall limit the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) to require that jurisdictional rates are just and reasonable, including the ability to deny or approve the pass through of costs, the prevention of cross-subsidization, and the issuance of such rules and regulations as are necessary or appropriate for the protection of utility customers.

(b) RECOVERY OF COSTS.—Nothing in this subtitle shall preclude the Commission from requiring a public-utility company to recover costs, as shown by books, records, memoranda, and other evidence, under otherwise applicable law to determine whether a public-utility company, public utility, or natural gas company may recover in rates any costs of activity performed by an associate company; or any costs of goods or services acquired by such public-utility company from an associate company.

SEC. 1268. APPLICABILITY.

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect the interests of customers.
Federal Power Act (16 U.S.C. 825e-825p) to en-
force the provisions of this subtitle.

SEC. 1271. SAVINGS PROVISIONS.

(a) IN GENERAL.—Nothing in this subtitle, or other-
wise, shall affect the authority of the Public Utility Holding Com-
pany Act of 1935, or rules, regulations, or orders
thereunder, prohibits a person from engaging in
or continuing to engage in activities or trans-
actions that would have been prohibited by
any entity (including an entity described in sec-
section 10(b) of the Securities Exchange Act of
1934, or rules and regulations as the Commission
may prescribe, to the public interest or for the protection of electric
energy or the purchase or sale of trans-

(b) FERC REVIEW.—Not later than 4 months after the date of
enactment of this Act, the Commission shall
issue rules (which rules shall be effective
no earlier than the effective date of this subtitle) to
(1) Except as provided in paragraph (2), no person shall be subject to any civil penalty
under this section, the Commission may
issue rules (which rules shall be effective
as of the date of enactment of this Act, if
that person continues to comply with the terms
(other than an expiration date or termina-
tion date) of any such authorization, whether
by rule or by order.

(b) EFFECT ON OTHER COMMISSION AUTHORITY.—Nothing in this subtitle limits the author-

(c) TAX TREATMENT.—Tax treatment under section 1081 of the Internal Revenue Code of
1986 as a result of transactions ordered in com-
pliance with the Public Utility Holding Com-
pany Act of 1935 (15 U.S.C. 79 et seq.) shall not be affected in any manner due to the repeal of
that Act and the enactment of the Public Utility Holding Company Act of 2005.

SEC. 1272. IMPLEMENTATION.

Not later than 4 months after the date of en-
actment of this Act, the Commission shall—
(a) prepare and transmit to the President a report describing the actions in which it is legally engaged or author-
ized to engage; and
(b) submit to Congress a report containing information sharing, which shall include, among
other things, provisions ensuring that informa-
tion requests to markets within the respective jurisdiction of each agency are properly coordi-
nated to minimize duplicative information re-
quests, and provision regarding the treatment of proprietary trading information.

(2) Nothing in this section may be construed to limit or affect the exclusive jurisdiction of the Commodity Futures Trading Commission under the

(3) Nothing in this section shall affect the authority of States or a State commission under
section 1265, relating to State access to books and records; and

(4) Nothing in this section shall affect the authority to exempt from the requirements of this section
any public utility, or other entity
other than a holding company subject to the
jurisdiction of the Commission has
in stringent market manipulation activ-
ties materially affecting the market.

The Commission may establish an electronic information system if it determines that existing price publications are not adequately providing price discovery or mar-
et transparencies. Nothing in this section, how-
ever, shall affect any electronic information fil-
ing requirements in effect under this Act as of
the time of the reporting, to a Federal agency
person or any other entity knew to be false at
the time of the reporting, to a Federal agency
intent to fraudulently affect the data being
compiled by the Federal agency.

SEC. 1283. MARKET MANIPULATION.
Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the
following:

SEC. 1282. MARKET MANIPULATION.

(a) IN GENERAL.—Nothing in this section shall be unlawful for any entity (including an entity described in
section 201(i)) to willfully and knowingly re-
port any information relating to the price of
any person
a holding company or a holding company
subject to the jurisdiction of the Commission, any manipulative or deceptive de-

(b) FERC REVIEW.—Not later than 4 months after the date of enactment of this Act, the Commission
shall review and authorize the allocation of the costs
for such goods or services to the extent relevant to
that person.

(c) EFFECT ON FEDERAL AND STATE LAW.—Nothing in this section shall affect the authority of the Commission or a State commission under other
statutes.

(d) RULES.—Not later than 4 months after the
date of enactment of this Act, the Commission

SEC. 1282. PROHIBITION OF ENERGY MARKET MAN-
IPULATION.

(a) IN GENERAL.—Nothing in this section shall be unlawful for any entity (including an entity described in
section 201(i)), directly or indirectly, to use or em-
ploy, in connection with the purchase or sale of electric energy or the transmission service subject to the jurisdiction of the Commission, any manipulative or deceptive de-
vice or contrivance (as those terms are used in
section 10(b) of the Securities Exchange Act of
1934 (15 U.S.C. 78j(b)), in contravention of such
rules and regulations as the Commission may
prescribe as necessary or appropriate in the public interest or for the protection of electric
customers.

(b) NO PRIVATE RIGHT OF ACTION.—Nothing in this section shall be construed to create a pri-
ate right of action.

SEC. 1284. ENFORCEMENT.

(a) COMPLAINTS.—Section 306 of the Federal Power Act (16 U.S.C. 825e) is amended—

(b) INVESTIGATIONS.—Section 307(a) of the
Federal Power Act (16 U.S.C. 825a) is amended—

(c) WITHIN 180 days of enactment of this section, the Commission shall conclude a memo-
ral to the President, the Secretary of Energy, the Sec-
urities and Exchange Commission to the

(d) Modernization of the Commission's information management systems for use in
standard market monitoring and enforcement activities.

(e) The Commission shall provide for the payment of the expenses of the

(f) Nothing in this section may be construed to limit or affect the exclusive
jurisdiction of the Commodity Futures Trading Commission under the

(g) Nothing in this section may be construed to limit or affect the exclusive jurisdic-
tion of the Commodity Futures Trading Commission under the

(h) Nothing in this section may be construed to limit or affect the exclusive jurisdic-
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(z) Nothing in this section may be construed to limit or affect the exclusive jurisdic-
tion of the Commodity Futures Trading Commission under the

(A) obtain the information described in para-
(b) rely on entities other than the Commis-

(c) FERC REVIEW.—Not later than 4 months after the date of enactment of this Act, the
Commission shall review and authorize the allocation of the costs
for such goods or services to the extent relevant to
that person.

(d) RULES.—Not later than 4 months after the
date of enactment of this Act, the Commission
shall issue rules (which rules shall be effective
no earlier than the effective date of this subtitle) to

(1) Section 201(g)(5) of the
Federal Power Act (16 U.S.C. 824(g)(5)) is
amended by striking “1935” and inserting
“2005”.

(2) Section 214 of the Federal Power Act (16 U.S.C. 824m) is amended by striking “1935” and
inserting “2005”.

Nothing in this section shall affect the authority of States or a State commission under
section 1265, relating to State access to
books and records; and

(g) The Commission shall not require entities who have a de minimis market presence to com-
ply with the reporting requirements of this sec-
tion.

(h) COMPLIANCE WITH CERTAIN RULES.—If the Commission approves and makes effective any
final rulemaking modifying the standards of conduct or the rules and regulations (as those terms are used in Section 109 of the
Intrastate Revenue Code of 1968 as a result of transactions ordered in com-
pliance with the Public Utility Holding Com-
pany Act of 1935 (15 U.S.C. 79 et seq.) shall not be affected in any manner due to the repeal of
that Act and the enactment of the Public Utility Holding Company Act of 2005.

SEC. 1272. TRANSFER OF RESOURCES.

All books and records that relate primarily to the
activities transferred to the Commission under
this subtitle shall be transferred from the
Securities and Exchange Commission to the
Commission.

SEC. 1277. EFFECTIVE DATE.

(a) IN GENERAL.—Except for section 1272 (re-
lating to implementation), this subtitle shall take effect 6 months after the date of enactment of
this subtitle.

(b) COMPLIANCE WITH CERTAIN RULES.—If the Commission approves and makes effective any
final rulemaking modifying the standards of conduct or the rules and regulations (as those terms are used in Section 109 of the
Intrastate Revenue Code of 1968 as a result of transactions ordered in com-
pliance with the Public Utility Holding Com-
pany Act of 1935 (15 U.S.C. 79 et seq.) shall not be affected in any manner due to the repeal of
that Act and the enactment of the Public Utility Holding Company Act of 2005.
the transmission of electric energy in interstate commerce".

(c) REVIEW OF COMMISSION ORDERS.—Section 313(a) of the Federal Power Act (16 U.S.C. 825i) is amended by inserting "electric utility," after "person," in the first 2 places it appears and by striking "any person unless such person" and inserting "any entity unless such entity.".

(d) RULES OF COMMISSION.—Section 316 of the Federal Power Act (16 U.S.C. 825o–1) is amended—

(1) in subsection (a), by inserting "$5,000" and inserting "$1,000,000";

(2) by striking the second "two years" and inserting "5 years";

(3) by striking subsection (c).

(e) CIVIL PENALTIES.—Section 316A of the Federal Power Act (16 U.S.C. 825o–1) is amended—

(1) by striking "section 211, 212, 213, or 214" each place it appears and inserting "part II"; and

(2) by striking (b) and by striking "$30,000" and inserting "$1,000,000.".

SEC. 1285. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e–1) is amended as follows:

(1) By striking "the date 60 days after the filing of such complaint nor later than 3 months after the expiration of such 60-day period" in the second sentence and inserting "the date of the filing of such complaint nor later than 5 months after the filing of such complaint".

(2) By striking "60 days after" in the third sentence and inserting "publication date".

(3) By striking the fifth sentence and inserting the following: "If no final decision is rendered by the conclusion of the 180-day period commencing upon initiation of a proceeding pursuant to this section, the Commission shall state the reasons why it has failed to do so and shall state its best estimate as to when it reasonably expects to make such decision.".

SEC. 1286. REFUND AUTHORITY.

Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end the following:

"(e) In this subsection:"

(A) The term ‘short-term sale’ means an agreement for the sale of electric energy at wholesale in interstate commerce that is for a period of 31 days or less (excluding monthly contracts subject to automatic renewal).

(B) The term ‘applicable Commission rule’ means a Commission rule applicable to sales at wholesale which requires that the Commission determine after notice and comment whether such rule should be applicable to entities subject to this subsection.

(C) If an entity described in section 201(f) voluntarily makes a short-term sale of electric energy through an organized market in which the rates for such sale are established by Commission-approved rules (rather than by contract) and the sale violates the terms of the tariff or applicable Commission rules in effect at the time of the sale, the entity shall be subject to the refund authority of the Commission under this section with respect to the violation.

"(2) This section shall not apply to—"

(A) any entity that sells in total (including affiliates of the entity) less than 8,000,000 megawatt-hours of electric energy per year;

(B) an electric cooperative.

(4)(A) The Commission shall have refund authority under paragraph (2) with respect to a voluntary short-term sale of electric energy by the Bonneville Power Administration only if the sale is at an unjust and unreasonable rate.

(B) If the court determines that a sale is at an unjust and unreasonable rate, the court may order the public utility to refund the difference between the lowest rate at which the sale could have been made and the rate at which the sale was made, plus interest, to the extent that the sale is not otherwise subject to refund under paragraph (2) or to order any other person, by any means whatsoever, to refund any amount that has been wrongfully collected or retained.

SEC. 1287. CONSUMER PRIVACY AND UNFAIR TRADE PRACTICES.

(a) PRIVACY.—The Federal Trade Commission may provide rules protecting the privacy of electric consumers and the confidentiality of information obtained in connection with the sale or delivery of electric energy to electric consumers.

(b) SLAMMING.—The Federal Trade Commission may issue rules prohibiting the change of selection of an electric utility except with the informed consent of the electric consumer or if approved by the appropriate State regulatory authority.

(c) CRAMMING.—The Federal Trade Commission shall proceed in accordance with section 553 of title 5, United States Code, when prescribing a rule under this section.

(d) RULEMAKING.—The Federal Trade Commission determines that a State's regulations provide equivalent or greater protection than the provisions of this section, such State's regulations shall apply in that State in lieu of the regulations issued by the Commission under this section.

(e) DEFINITIONS.—For purposes of this section:


SEC. 1288. AUTHORITY OF COURT TO PROHIBIT INDIVIDUALS FROM SERVING AS OFFICERS, DIRECTORS, AND ENERGY TRADERS.

Section 314 of the Federal Power Act (16 U.S.C. 825m) is amended by adding at the end the following:

"(a) PRIVACY.—The Federal Trade Commission may provide rules prohibiting the sale of goods and services to an electric consumer unless expressly authorized by law or the electric consumer.

(b) RULEMAKING.—The Federal Trade Commission shall proceed in accordance with section 553 of title 5, United States Code, when prescribing a rule under this section.

(c) DETERMINATIONS.—The Federal Trade Commission shall proceed in accordance with section 553 of title 5, United States Code, when prescribing a rule under this section.

(d) DEFINITIONS.—For purposes of this section:

(1) STATE REGULATORY AUTHORITY.—The term "State regulatory authority" means the meaning given to that term in section 3 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601).

SEC. 1289. AUTHORITY OF COURT TO PROHIBIT OR REFORM.

(a) IN GENERAL.—Section 203(a) of the Federal Power Act (16 U.S.C. 824b(a)) is amended to read as follows:

"(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—"

"(A) sell, lease, or otherwise dispose of the whole or any part thereof of the transmission, any acquisition thereof of the Commission, or any part thereof of a value in excess of $10,000,000;"

"(B) merge or consolidate, directly or indirectly, any such facilities or any part thereof with those of any other person, by any means whatsoever;"

"(C) purchase, acquire, or take any security with a value in excess of $10,000,000 of any other public utility; or"

"(D) purchase, lease, or otherwise acquire an existing generation facility of a public utility, or an electric utility; or"

"(E) have a value in excess of $10,000,000; and"

"(F) that is used for interstate wholesale sales and over which the Commission has jurisdiction for ratemaking purposes.

"(2) No holding company in a holding company system that includes an electric utility or an electric utility shall purchase, acquire, or take any security with a value in excess of $10,000,000 of, or by, any means whatsoever, directly or indirectly, any utility including a transmitting utility, an electric utility company, or a holding company in a holding company system that includes a transmitting utility, or an electric utility company with a value in excess of $10,000,000 without first having secured an order of the Commission authorizing it to do so.

"(3) Upon receipt of an application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

"(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or change in control, if it finds that the proposed transaction will be consistent with the public interest and will not result in the termination or consolidation of a non-utility associate company or the pledge or encumbrance of utility assets for the benefit of an associate company, unless the Commission determines that the cross-subsidization, pledge, or encumbrance will be consistent with the public interest.

"(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions, under this section. Such rules shall identify classes of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4). The Commission shall provide expeditious review for such transactions. The Commission shall grant or deny any other application for approval of a transaction not later than 180 days after the application is filed. If the Commission does not act upon an application, such application shall be deemed granted unless the Commission finds, based on good cause, that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues an order tolling the time for acting on the application for not more than 180 days, at the end of which period the Commission shall grant or deny the application.

"(6) For purposes of this subsection, the terms ‘associate company’ , ‘holding company’, and ‘holding company system’ have the meaning given those terms in the Public Utility Holding Company Act of 2005.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect 6 months after the date of enactment of this Act.

(c) TRANSITION PROVISION.—The amendments made by subsection (a) shall not apply to any application under section 203 of the Federal Power Act (16 U.S.C. 824b) that was filed on or before the date of enactment of this Act.

SEC. 1290. AUTHORITY TO PROHIBIT EXTRAORDINARY VIOLATIONS.

(a) APPLICATION.—This section applies to any contract entered into by any person on or after June 20, 2001, whereby any person has sold, disposed of, or delivered to any person, any interest in wholesale electricity that the Commission has—

(1) found to have manipulated the electricity market resulting in unjust and unreasonable rates; and

(2) revoked the seller’s authority to sell any electricity at market-based rates.
(b) RELIEF.—Notwithstanding section 222 of the Federal Power Act (as added by section 1262), any provision of title 11, United States Code, or any other provision of law, in the case of a contract described in subsection (a), the Commission shall have exclusive jurisdiction under the Federal Power Act (16 U.S.C. 791a et seq.) to determine whether a requirement to make payments for power not delivered by the seller, or any successor in interest of the seller, is not permitted under a rate schedule (or contract under such a schedule) or is otherwise unlawful on the grounds that the contract is unjust and unreasonable or contrary to the public interest.

(c) APPLICABILITY.—This section applies to any party proceeding on the date of enactment of this section involving a seller described in subsection (a) in which there is not a final, nonappealable order by the Commission or any other jurisdiction determining the respective rights of the seller.

Subtitle II—Definitions

SEC. 1291. DEFINITIONS.

(a) COMMISSION.—In this title, the term "Commission" means the Federal Energy Regulatory Commission.

(b) AMENDMENT.—Section 3 of the Federal Power Act (16 U.S.C. 824) is amended by striking paragraphs (22) and (23) and inserting the following:

(22) ELECTRIC UTILITY.—(A) The term "electric utility" includes a person or Federal or State agency (including an entity described in section 201(f)) that owns, operates, or controls facilities used for the transmission of electric energy.

(B) The "electric utility" includes the Tennessee Valley Authority and each Federal power marketing administration.

(23) TRANSMITTING UTILITY.—The term "transmitting utility" means an entity described in section 201(f) that owns, operates, or controls facilities used for the transmission of electric energy.

(27) RTO.—(A) The term "Regional Transmission Organization" or "RTO" means an entity of sufficient regional scope approved by the Commission.

(B) A RTO means a Regional Transmission Organization that shall:

(i) exercise operational or functional control of facilities used for the transmission of electric energy in interstate commerce; and

(ii) ensure nondiscriminatory access to the facilities.

(28) ISO.—The term "Independent System Operator" or "ISO" means an entity approved by the Commission to exercise operational or functional control of facilities used for the transmission of electric energy in interstate commerce; and

(B) ensure nondiscriminatory access to the facilities.

(29) TRANSMISSION ORGANIZATION.—The term "Transmission Organization" means a Regional Transmission Organization, Independent System Operator, independent transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities.

(c) APPLICABILITY.—Section 201(f) of the Federal Power Act (16 U.S.C. 824(f)) is amended by striking "the term "Regional Transmission Organization" as added by section 203(a)(2), 206(e), 210, 211, 211A, 212, 215, 216, 217, 218, 220, 221, and 222;" and

(B) in the second sentence—

(1) by inserting "or rule" after "any order"; and

(2) by striking "or 211 or 212" and inserting "210, 211, or 212."

(d) Section 201 of the Federal Power Act (16 U.S.C. 824e) is amended by striking the following:

(1) in subsection (a), by striking "the public utility to make".

(c) Section 211 of the Federal Power Act (16 U.S.C. 824m) is amended—

(1) in subsection (c)—

(A) by striking "(2)";

(B) by striking "(A)" and inserting "(1)"; and

(C) by striking "(2)" and inserting "(2)";

and

(2) in the second sentence of subsection (d), by striking "electric utility" the second place it appears and inserting "transmitting utility".

(e) Section 215(c) of the Federal Power Act (16 U.S.C. 825n(c)) is amended by striking "subsection " and inserting "section "

Subtitle J—Economic Dispatch

SEC. 1299. ECONOMIC DISPATCH.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

"SEC. 223. JOINT BOARDS ON ECONOMIC DISPATCH.

(a) IN GENERAL.—The Commission shall convene joint boards on a regional basis pursuant to section 209 of this Act to study the issue of security constrained economic dispatch for the various market regions. The Commission shall designate the appropriate regions to be covered by each such joint board for purposes of this section.

(b) MEMBERSHIP.—The Commission shall request each State to nominate a representative for the appropriate regional joint board, and shall designate a member of the Commission to chair and participate as a member of each such board.

(c) POWERS.—The sole authority of each joint board convened under this section shall be to consider issues relevant to what constitutes "security constrained economic dispatch" and how such a mode of operating an electric energy system affects or enhances the reliability and affordability of service to customers in the region concerned. The joint board shall provide recommendations to the Commission regarding such issues.

(d) REPORT TO THE CONGRESS.—Within one year after enactment of this section, the Commission shall issue a report and submit such report to the Congress regarding the recommendations of the joint boards under this section and the Commission may consolidate the recommendations of more than one such regional joint board, including any consensus recommendations for regulatory or statutory reform.

TITLE XIII—ENERGY POLICY TAX INCENTIVES

SEC. 1300. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the "Energy Policy Tax Incentives Act of 2005".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Electricity Infrastructure

SEC. 1301. EXTENSION AND MODIFICATION OF RENEWABLE ELECTRICITY PRODUCTION CREDIT.

(a) 2-YEAR EXTENSION FOR CERTAIN FACILITIES.—Section 45(d) (relating to qualified facilities) is amended—

(1) by striking "January 1, 2006" each place it appears in paragraphs (1), (2), (5), (6), and (7) and inserting "January 1, 2008"; and

(2) by striking "January 1, 2006" in paragraph (1) and inserting "January 1, 2008 (January 1, 2006, in the case of a facility using solar energy)");

(b) INCREASE IN CREDIT PERIOD.—Section 45(b)(5)(B) (relating to credit period) is amended—

(1) by inserting "or clause (iii)" after "clause (ii)" in clause (i), and

(2) at the end the following:

"(iii) TERMINATION.—Clause (i) shall not apply to any facility placed in service before the date of the enactment of this clause.

(c) EXPANSION OF QUALIFIED RESOURCES TO CERTAIN HYDROPOWER.—

(1) IN GENERAL.—Section 45(c)(4) (defining qualified energy resources) is amended by striking "and" at the end of subparagraph (F), by striking the period at the end of subparagraph (G) and inserting ";", and by adding at the end the following new subparagraph:

"(H) qualified hydropower production.

(2) CREDIT RATE.—Section 45(b)(4)(A) (relating to credit rate) is amended by striking "(7)" and inserting "(8)".

(d) DEFINITION OF RESOURCES.—Section 45(c) (relating to qualified energy resources and refined coal) is amended by adding at the end the following new subparagraph:

"(8) QUALIFIED HYDROPOWER PRODUCTION.—

(A) IN GENERAL.—The term "qualified hydropower production" means—

(i) in the case of any hydroelectric dam which was in service on or before the date of the enactment of this paragraph, the incremental hydropower production for the taxable year, and

(ii) in the case of any nonhydroelectric dam described in subparagraph (C), the hydropower production from the facility for the taxable year.

(B) DETERMINATION OF INCREMENTAL HYDROPOWER PRODUCTION.—

(i) IN GENERAL.—For purposes of subparagraph (A), incremental hydropower production for any taxable year shall be equal to the percentage of average annual hydropower production at the facility attributable to the efficiency improvements or additions of capacity placed in service after the date of the enactment of this paragraph, determined by using the same water flow information used to determine the average annual hydropower production baseline for such facility. Such percentage and baseline shall be certified by the Federal Energy Regulatory Commission.

(ii) OPERATIONAL CHANGES DISREGARDED.—For purposes of clause (i), the determination of incremental hydropower production shall not be based on any operational changes at such facility not directly associated with the efficiency improvements or additions of capacity.

(C) NONHYDROELECTRIC DAM.—For purposes of subparagraph (A), a facility is described in this subparagraph if—

(i) the facility is licensed by the Federal Energy Regulatory Commission and meets all other applicable environmental, licensing, and regulatory requirements,

(ii) the facility was placed in service before the date of the enactment of this paragraph and did not produce hydroelectric power on the date of the enactment of this paragraph, and
"(iii) turbines or other generating devices are to be added to the facility after such date to produce hydroelectric power, but only if there is not any enlargement of the diversion structure, or other arrangement of a bypass channel, or the impoundment or any withholding of any additional water from the natural stream channel.

(4) INDIAN COAL PRODUCTION FACILITY.—In the case of a facility producing qualified hydroelectric production described in subsection (c)(6), the term ‘qualified facility’ means—

(A) IN GENERAL.—The term ‘qualified facility’ includes any facility producing incremental hydropower production, such facility but only to the extent of its incremental hydropower production attributable to efficiency improvements or additions to capacity described in subsection (c)(6)(B) placed in service after the date of the enactment of this paragraph and before January 1, 2008, and

(B) during any other facility placed in service after the date of the enactment of this paragraph and before January 1, 2008.

(C) CREDIT PER PERIOD.—In the case of a qualified facility described in subparagraph (A), the 10-year period referred to in subsection (a) shall be treated as beginning on the date the efficiency improvements or additions to capacity are placed in service.

(d) INDIAN COAL.—

(1) PRODUCTION FACILITIES.—Subsection (c) of section 45(d) (relating to qualified facilities) is amended by adding at the end the following new paragraph:

(3) INDIAN COAL PRODUCTION FACILITY.—

(A) IN GENERAL.—The term ‘Indian coal production facility’ means a facility which is placed in service—

(i) after December 31, 2007, and

(ii) before January 1, 2008.

(B) DETERMINATION OF CREDIT AMOUNT.—

(i) IN GENERAL.—The credit amount allowed as a credit under section 29 for the production of coal by reason of such new unit shall be treated as a specified credit for purposes of section 38(c)(4)(A) for the 7-year period beginning after December 31, 2007.

(ii) DETERMINATION OF CREDIT AMOUNT.—

The amount of such credit allowed as a credit under section 29 for the production of coal by reason of such new unit shall be treated as a specified credit for purposes of section 38(c)(4)(A) for the 7-year period beginning after December 31, 2007.

(f) ADDITIONAL TECHNICAL AMENDMENTS RELATED TO INDIAN COAL PRODUCTION FACILITIES.—

Subsection (d) of section 45 is amended by adding the following new paragraph:

(iii) INDIAN COAL PRODUCTION FACILITY.—

A facility placed in service before January 1, 2008 shall be treated as a qualified facility for purposes of this section (b) with respect to such dates.

(g) TREATMENT AS SPECIFIED CREDIT.—

The increase in the credit determined under subsection (c) by reason of this paragraph with respect to any facility placed in service after December 31, 2007, shall be treated as a specified credit for purposes of section 38(c)(4)(A) for the 7-year period beginning after the later of December 31, 2007, or the date on which such facility is placed in service by the taxpayer.

(h) RESOURCE.—Subsection (c) of section 45 (relating to qualified energy resources and re fined coal) is amended by adding at the end the following new paragraph:

(iii) INDIAN COAL.—

(A) IN GENERAL.—The term ‘Indian coal’ means coal which is produced from coal reserves which, on June 14, 2005, were owned by an Indian tribe, or (ii) were owned in trust by the United States for the benefit of an Indian tribe or its members.

(B) INDIAN TRIBE.—For purposes of this paragraph, the term ‘Indian tribe’ has the meaning given such term by section 7871(c)(3)(E)(ii).

(iii) INDIAN COAL PRODUCTION FACILITY.—

Subsection (d) of section 45, as amended by this Act, is amended by adding at the end the following new paragraph:

(C) INDIAN COAL PRODUCTION FACILITY.—

The term ‘Indian coal production facility’ means a facility placed in service before January 1, 2009.

(2) stimulation, transmission, or treatment with respect to any facility placed in service before January 1, 2008, and

(3) INDIAN COAL PRODUCTION FACILITY.—

(A) IN GENERAL.—The term ‘Indian coal production facility’ means a facility placed in service before January 1, 2009.

(B) DETERMINATION OF CREDIT AMOUNT.—

(i) IN GENERAL.—The credit amount allowed as a credit under section 29 for the production of coal by reason of such new unit shall be treated as a specified credit for purposes of section 38(c)(4)(A) for the 7-year period beginning after December 31, 2007.

(ii) DETERMINATION OF CREDIT AMOUNT.—

The amount of such credit allowed as a credit under section 29 for the production of coal by reason of such new unit shall be treated as a specified credit for purposes of section 38(c)(4)(A) for the 7-year period beginning after December 31, 2007.
any credit allowance date for a clean renewable energy bond is 25 percent of the annual credit determined with respect to such bond.

(2) ANNUAL CREDIT.—The annual credit determined with respect to any clean renewable energy bond is the product of—

(A) the credit rate determined by the Secretary under paragraph (1) for the day on which the credit allowance date occurs; and

(B) the outstanding face amount of the bond.

(3) DETERMINATION.—For purposes of paragraphs (2), (with respect to any clean renewable energy bond, the Secretary shall determine daily or cause to be determined daily a credit rate which is the average of the credit rates determined for the first day on which there is a binding, written contract for the sale or exchange of the bond. The credit rate for any day is the credit rate which the Secretary determines under this subsection if, as of the date of issuance, the qualified issuer renews its intentions to retire the bonds issued the day following the date of the credit allowance date. Such present value of the obligation to repay it at a maturity of such bond exceeds the maximum before the expiration of the period described in paragraph (1)(A), the Secretary shall determine whether such proceeds may be used to retire the bonds at such maturity.

(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term ‘credit allowance date’ means—

(A) March 15,

(B) June 15,

(C) September 15, and

(D) December 15.

Such term includes the last day on which the bond is outstanding.

(5) SPECIAL RULE FOR ISSUE AND REDEEMPTION.—If a bond is issued under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when a bond is refunded or matures.

(6) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any 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 part (other than subpart C and this section) for such taxable year.

(2) NATIONALLY LIMITATION.—There is a national clean renewable energy bond limitation of $800,000,000.

(3) ALLOCATION FOR NATIONAL LIMITATION.—The Secretary shall allocate the amount determined in paragraph (2) among qualified projects in such manner as the Secretary determines appropriate, except that the Secretary may not allocate more than $500,000,000 of the national clean renewable energy bond limitation to finance qualified projects of qualified borrowers which are governmental bodies.

(4) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

(5) SPECIAL RULES RELATING TO EXPENDITURES.—

(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

(A) at least 5 percent of the proceeds of such issue are to be used for 1 or more qualified projects, and

(B) the qualified issuer designates such bond for purposes of this section and the bond is in registered form, and

(C) the issue meets the requirements of subsection (h).

(2) QUALIFIED PROJECT; SPECIAL USE RULES.—

(A) IN GENERAL.—The term ‘qualified project’ means any qualified facility (as determined under section 45(d) without regard to paragraph (10) and to any placed in service date) owned or operated by a qualified borrower.

(B) REFINANCING RULES.—For purposes of paragraph (1)(B), a qualified project may be refinanced with proceeds of a clean renewable energy bond only if the indebtedness being refinanced (including any obligation directly or indirectly refinanced by such indebtedness) was originally incurred by a qualified borrower after the date of the credit allowance date, and

(C) REIMBURSEMENT.—For purposes of paragraph (1)(B), a clean renewable energy bond may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

(i) prior to the payment of the original expenditure, the qualified borrower declared its intent to reimburse such expenditure with the proceeds of a clean renewable energy bond, and

(ii) the Secretary determines that recovery of the proceeds of the original expenditure, the qualified issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

(iii) the amount so recovered will not later than 18 months after the date the original expenditure is paid.

(7) TERMINATION OF CHANGES IN USE.—For purposes of paragraph (1)(B), the proceeds of an issue shall not be treated as used for a qualified project to the extent that a qualified borrower or qualified issuer takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall prescribe regulations specifying remedial actions that may be taken (including conditions to caus- ing such remedial actions) to prevent an action described in the preceding sentence from caus- ing a bond to fail to be a clean renewable energy bond.

(8) LIMITATION ON AMOUNT OF BONDS.—

(1) DURATION OF TERM.—A bond shall not be treated as a clean renewable energy bond if the maturity of the bond is less than 60 days after payment of the original expenditure with such proceeds, and

(2) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary reasonably believes will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined in the same manner described in paragraph (1)(b) and using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

(9) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

(1) NATIONAL LIMITATION.—There is a national clean renewable energy bond limitation of $800,000,000.

(2) ALLOCATION BY SECRETARY.—The Secretary shall allocate the amount determined in paragraph (2) among qualified projects in such manner as the Secretary determines appropriate, except that the Secretary may not allocate more than $500,000,000 of the national clean renewable energy bond limitation to finance qualified projects of qualified borrowers which are governmental bodies.

(3) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

(4) SPECIAL RULES RELATING TO EXPENDITURES.—

(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

(A) at least 5 percent of the proceeds of such issue are to be spent for 1 or more qualified projects within the 5-year period beginning on the date of issuance of the clean energy bond, and

(B) the qualified borrower (1) does not intend to enter or cause to be entered into a written loan agreement for such portion prior to the issue date of such issue.

(2) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(A) BOND.—The term ‘bond’ includes any obligation.

(B) POOLED FINANCING BOND.—The term ‘pooling financing bond’ shall have the meaning given such term by section 149(f)(4)(A).

(C) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—

(A) IN GENERAL.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru
entity, rules similar to the rules of section 4(l)(a) shall apply with respect to the credit allowable under subsection (a).

(2) No base adjustment.—In the case of a bond held by a regulated investment company or an S corporation, rules similar to the rules under section 1397E(i) shall apply.

(4) Bonds held by regulated investment company.—If a renewable energy bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

(5) Treatment for estimated tax purposes.—So long as credits described in subparagraph (a) are allowable under part B of such an issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding.

(7) Reporting.—Issuers of renewable energy bonds shall submit reports similar to the reports required under section 194(e).

(10) Application.—This section shall not apply to any bond issued after December 31, 2007.

(11) Reporting.—Subpart (d) of section 6149 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(d) Reporting of interest.—Interest on such bond shall be treated as interest on bonds by the payees as provided in section 6694 and shall be subject to withholding at the rate of 30% by the payees as provided in section 6694."

(12) Reporting of interest.—Subsection (b)(4) shall be treated as a proceeding for determining the issuance and determination of the amount of interest allocable to the facility for purposes of this section.

(13) Reporting.—Rules similar to the rules under section 6694 (relating to returns regarding payments of interest) are prescribed by the Secretary.

(14) Effective date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Section 1305. Dispositions of transmission capacity limitations from restructuring policy.

(a) In general.—Section 45(i)(3) (defining qualifying electric transmission transaction) is amended by adding the following after "2006":

"(b) Technical amendment related to section 909 of the American Jobs Creation Act of 2004.—Clause (a) of section 45(i)(4)(B) is amended by striking "the case of any interest described in subparagraph (c)" and inserting "the case of any interest described in subparagraph (a)(2)(B) as amended under paragraph (2) and inserting "2006":

"(c) Effective dates.—

1. In general.—The amendment made by subsection (a) shall apply to transactions occurring after the date of the enactment of this Act.

2. Technical amendment.—The amendment made by subsection (b) shall take effect as if included in the amendments made by section 909 of the American Jobs Creation Act of 2004.

Section 1306. Credit for production from advanced nuclear power facilities.

(a) In general.—Subpart D of part IV of subchapter A of chapter 1 relating to taxes on the income of United States personal holding companies and United States corporations is amended by adding the following new section:

"SEC. 45J. Credit for production from advanced nuclear power facilities.

(a) General rule.—For purposes of section 38, the advanced nuclear power facility production credit of any taxpayer for any taxable year is equal to the product of—

1. 10 cents, multiplied by

2. The kilowatt hours of electricity produced by the taxpayer at an advanced nuclear power facility during the 8-year period beginning on the date the facility was originally placed in service, and

(b) sold by the taxpayer to an unrelated person during the taxable year.

(c) National limitation.—(1) In general.—The amount of the credit which would (but for this subsection and subsection (b)) be allowed with respect to each facility for any taxable year shall not exceed the amount which bears the same ratio to such amount of credit as—

1. The national megawatt capacity limitation allocated to the facility, bears to

2. The total megawatt nameplate capacity of such facility.

(2) Amount of national limitation.—The national megawatt capacity limitation shall be 6,000 megawatts.

(3) Allocation of limitation.—The Secretary shall allocate the national megawatt capacity limitation in such manner as the Secretary may prescribe.

(4) Regulations.—Not later than 6 months after the date of the enactment of this section, the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section. Such regulations shall include a certification process under which the Secretary, after consultation with the Secretary of Energy, shall approve and allocate the national megawatt capacity limitation.

(c) Annual limitation.—(1) Annual limitation.—The amount of the credit allowable under subsection (a) after the application of subsection (b) for any taxable year with respect to any facility shall not exceed an amount which bears the same ratio to $125,000,000 as—

1. The qualifying investment for such taxable year bears to

2. The product of $125,000,000 and the fraction—

1. The number of years which the facility was in service during such taxable year bears to

2. The number of years the facility was in service during the taxable year.

(2) Qualifying investment.—For purposes of subsection (a), the qualifying investment for any taxable year is the basis of eligible property placed in service during such taxable year or in the case of any renewable energy bond, the basis of such property placed in service during such taxable year which is part of a qualifying advanced coal project.
(A)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or

(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer, and

(B) with respect to which depreciation (or amortization in lieu of depreciation) is allocable.

(2) SPECIAL RULE FOR CERTAIN SUBSIDIZED PROPERTY.—Rules similar to section 48(a)(4) shall apply to this section.

(3) CERTAIN QUALIFIED PROGRESS EXPENDITURES RULES MADE APPLICABLE.—Rules similar to the rules of subsections (c)(4) and (d) of section 46 are applicable to this section before the enactment of the Revenue Reconciliation Act of 1990 that shall apply for purposes of this section.

(C) DEFINITIONS.—For purposes of this section:

(1) QUALIFYING ADVANCED COAL PROJECT.—The term ‘qualifying advanced coal project’ means a project which meets the requirements of subsection (e).

(2) ADVANCED COAL-BASED GENERATION TECHNOLOGY.—The term ‘advanced coal-based generation technology’ means an integrated gasification combined cycle plant that produces electricity from both synthesis gas which is used to fuel a combined cycle unit, and a steam turbine.

(3) ELIGIBLE PROPERTY.—The term ‘eligible property’ means—

(A) in the case of any qualifying advanced coal project using an integrated gasification combined cycle, any property which is a part of such project that is necessary for the gasification of coal, including any coal handling and gas separation equipment, and

(B) in the case of any other qualifying advanced generation technology, any property which is a part of such project.

(4) COAL.—The term ‘coal’ means anthracite, bituminous coal, subbituminous coal, lignite, and peat.

(5) GREENHOUSE GAS CAPTURE CAPABILITY.—The term ‘greenhouse gas capture capability’ means electric generation units, combined cycle plants, and other processes that couple heat generation with carbon capture and storage.

(6) ELECTRIC GENERATION UNIT.—The term ‘electric generation unit’ means any facility at least 50 percent of the time it is annually net output of which is electrical power, including an otherwise eligible facility which is used in an industrial application.

(7) INTEGRATED GASIFICATION COMBINED CYCLE.—The term ‘integrated gasification combined cycle’ means an electric generation unit which produces power by converting coal to synthesis gas which is used to fuel an electric and gas generation plant that produces electricity from both a combustion turbine (including a combustion turbine/fuel cell hybrid) and a steam turbine.

(8) QUALIFYING ADVANCED COAL PROJECT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this section, the Secretary, in consultation with the Secretary of Energy, shall establish a qualifying advanced coal project program for the deployment of advanced coal-based generation technologies.

(2) CERTIFICATION.—

(A) APPLICATION PERIOD.—Each applicant for certification under this subsection shall submit an application meeting the requirements of subparagraph (B). An applicant may only submit an application during the 3-year period beginning on the date of enactment of this section.

(B) REQUIREMENTS FOR APPLICATIONS FOR CERTIFICATION.—An application under subparagraph (A) shall contain such information as the Secretary may require in order to make a determination to accept or reject an application for certification as meeting the requirements under subsection (d). An application which is not in accordance with the information contained in the application shall be protected as provided in section 552(b)(4) of title 5, United States Code.

(C) TIME TO ACT UPON APPLICATIONS FOR CERTIFICATION.—The Secretary shall issue a determination as to whether an applicant has met the requirements under subsection (e)(1) within 60 days following the date of submittal of the application for certification.

(D) TIME TO MEET CRITERIA FOR CERTIFICATION.—Each applicant for certification shall have 2 years from the date of acceptance by the Secretary of the application during which to provide to the Secretary evidence that the criteria set forth in subsection (e)(2) have been met.

(E) PERIOD OF ISSUANCE.—An applicant which receives a certification shall have 5 years from the date of issuance of the certification in which to place the project in service or, if such project is not placed in service by such time period then the certification shall no longer be valid.

(2) AGGREGATE CREDITS.—

(A) IN GENERAL.—The aggregate credits allowed under subsection (a) for projects certified by the Secretary under paragraph (2) may not exceed $1,300,000,000.

(B) PARTICULAR PROJECTS.—Of the dollar amount in subparagraph (A), the Secretary is authorized to certify—

(i) $800,000,000 for integrated gasification combined cycle projects, and

(ii) $500,000,000 for projects which use other advanced-coal-based generation technologies.

(4) REVIEW AND REDISTRIBUTION.—

(A) REVIEW.—Not later than 6 years after the date of enactment of this section, the Secretary shall redistribute credits allocated under this section as of the date which is 6 years after the date of enactment of this section.

(B) REDISTRIBUTION.—The Secretary may reallocate credits available under clauses (i) and (ii) of paragraph (3)(B) if the Secretary determines that—

(i) there is an insufficient quantity of qualifying applications for certification pending at the time of the review, or

(ii) any certification made pursuant to subsection (d) has been revoked pursuant to subsection paragraph (2)(D) because the project subject to the certification has been delayed as a result of third party opposition or litigation to the proposed project.

(5) REALLOCATION.—If the Secretary determines that credits under clause (i) or (ii) of paragraph (3)(B) are available for reallocation pursuant to the requirements set forth in paragraph (2), the Secretary is authorized to conduct an additional program for applications for certification.

(6) QUALIFYING ADVANCED COAL PROJECTS.—

(1) REQUIREMENTS.—For purposes of subsection (c)(1), a project shall be considered a qualifying advanced coal project that the Secretary may certify under subsection (d)(2) if the Secretary determines that, at a minimum—

(A) the project uses an advanced coal-based generation technology—

(i) to power a new electric generation unit, or

(ii) to retrofit or repower an existing electric generation unit (including an existing natural gas-fired combined cycle plant),

(B) the fuel input for the project, when completed, is at least 75 percent coal,

(C) the project, consisting of one or more electric generation units at one site, will have a total nameplate generating capacity of at least 400 megawatts;

(D) the applicant provides evidence that a majority of the output of the project is reasonably expected to be acquired or utilized;

(E) the applicant provides evidence of ownership or equity interest in the siting and development of the project, and

(F) the project will be located in the United States.

(2) REQUIREMENTS FOR CERTIFICATION.—For the purpose of subsection (d)(2)(D), a project shall be eligible for certification only if the Secretary determines that—

(A) the applicant for certification has received all Federal and State environmental authorizations or reviews necessary to commence construction of the project,

(B) the applicant for certification, except in the case of a retrofit or repower of an existing electric generation unit, has purchased or entered into a binding contract for the purchase of the main steam turbine or turbines for the project, except that such contract may be contingent upon receipt of a certification under subsection (d)(2),

(C) PRIORITY FOR INTEGRATED GASIFICATION COMBINED CYCLE PROJECTS.—In determining which qualifying advanced coal projects to certify under subsection (d)(2), the Secretary shall—

(A) certify capacity, in accordance with the procedures set forth in subsection (d), in relatively equal amounts to—

(i) projects using bituminous coal as a primary feedstock,

(ii) projects using subbituminous coal as a primary feedstock, and

(iii) projects using lignite as a primary feedstock,

and

(B) give high priority to projects which include, as determined by the Secretary—

(i) greenhouse gas capture capability,

(ii) increased by-product utilization, and

(iii) other benefits.

(7) ADVANCED COAL-BASED GENERATION TECHNOLOGY.—

(A) IN GENERAL.—For the purpose of this section, an electric generation unit uses advanced coal-based generation technology if—

(1) the unit—

(i) uses integrated gasification combined cycle technology, or

(ii) except as provided in paragraph (3)(C), has a design net heat rate of 6.530 Btu/kWh (40 percent efficiency), and

(B) the unit is designed to meet the performance requirements in the following table:

<table>
<thead>
<tr>
<th>Performance characteristic:</th>
<th>Design level for project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SO₂ (percent removal)</td>
<td>99 percent</td>
</tr>
<tr>
<td>NOₓ (emissions)</td>
<td>0.07 lbs/MMBtu</td>
</tr>
<tr>
<td>PM* (emissions)</td>
<td>0.015 lbs/MMBtu</td>
</tr>
<tr>
<td>H₂ (percent removal)</td>
<td>60 percent</td>
</tr>
</tbody>
</table>

(2) DESIGN NET HEAT RATE.—For purposes of this subsection, design net heat rate with respect to an electric generation unit shall—

(A) be measured in Btu per kilowatt hour (higher heating value),

(B) be based on the design annual heat input to the unit and the rated net electrical power, fuels, and chemicals output of the unit (determined without regard to the cogeneration of steam by the unit),

(C) be adjusted for the heat content of the design coal to be used by the unit if—

(i) if the heat content is less than 13,500 Btu per pound, but greater than 7,000 Btu per pound, according to the following formula: design net heat rate = unit net heat rate x [1-[(1/13,500-design coal heat content, Btu per pound)/(1,000)* 0.0133]], and

(ii) if the heat content is less than or equal to 7,000 Btu per pound, according to the following formula: design net heat rate = unit net heat rate x [1-[(11,500-design coal heat content, Btu per pound)/(1,000)* 0.018]], and

(D) be corrected for the site reference conditions of—

(i) elevation above sea level of 500 feet,

(ii) air pressure of 14.4 pounds per square inch absolute,

(iii) temperature, dry bulb of 63°F,
(iv) temperature, wet bulb of 54°F, and
(v) relative humidity of 55 percent.

(3) EXISTING UNITS.—In the case of any electric generation unit in existence on the date of the enactment of this section, such unit uses advanced coal-based generation technology if, in lieu of the requirements under paragraph (1)(A)(ii), such unit achieves a minimum efficiency gain of at least 10 percent above the overall thermal design efficiency improvement, compared to the efficiency of the unit as operated, of not less than—

(A) 7 percentage points for coal of more than 9,000 Btu,
(B) 6 percentage points for coal of 7,900 to 9,000 Btu,
(C) 4 percentage points for coal of less than 7,900 Btu.

(4) APPLICABILITY.—No use of technology (or level of emission reduction solely by reason of the use of the technology), and no achievement of any emission reduction by the demonstration of any technology or performance level, by or at one or more facilities with respect to which a credit is allowed under this section, shall be considered to indicate that the technology or performance level is—

(1) adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411);
(2) achievable for purposes of section 169 of that Act (42 U.S.C. 7479); or
(3) achievable in practice for purposes of section 171 of such Act (42 U.S.C. 7501).

SEC. 46B. QUALIFYING GASIFICATION PROJECT CREDIT.

(a) IN GENERAL.—For purposes of section 46, the qualifying gasification project credit for any taxable year is an amount equal to 20 percent of the qualifying gasification project credit for any taxable year of any person whose application for certification is principally intended for use in a domestic project which employs domestic gasification applications related to—

(A) chemical conversion of coal,
(B) fertilizers,
(C) glass,
(D) steel,
(E) petroleum residues,
(F) forest products, and
(G) agriculture, including feedlots and dairy operations.

(b) QUALIFIED RESIDUE.—The term ‘‘petroleum residue’’ means the carbonized product of high-boiling hydrocarbon fractions obtained in petroleum processing.

(c) QUALIFYING GASIFICATION PROJECT PROGRAM.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this section, the Secretary, in consultation with the Secretary of Energy, shall establish a qualifying gasification project program to consider and award certifications for qualified investment eligible for credits under this section to qualifying gasification project sponsors under this section. The total amounts of credit that may be allocated under section 46B shall not exceed $250,000,000 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).

(2) PERIOD OF ISSUANCE.—A certificate of eligibility under paragraph (1) may be issued only during the 10-year period beginning on October 1, 2005.

(3) SELECTION CRITERIA.—The Secretary shall not make a competitive certification award for qualified investment for credit eligibility under this section unless the recipient has documented to the satisfaction of the Secretary that—

(A) the award recipient is financially viable without the receipt of additional Federal funding associated with the proposed project;
(B) the recipient will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is spent efficiently and effectively;
(C) a market exists for the products of the proposed project as evidenced by contracts or written statements of intent from potential customers;
(D) the fuels identified with respect to the gasification technology for such project will comprise at least 50 percent of the fuels required for the production of carbon-based feedstocks, liquid transportation fuels, or co-production of electricity;
(E) the award recipient’s project team is competent in the design and operation of the gasification technology proposed, with preference given to those recipients with experience which demonstrates successful and reliable operations of the technology on domestic fuels so identified, and
(F) the award recipient has met other criteria established and published by the Secretary.

(c) DENIAL OF DOUBLE BENEFIT.—A credit shall not be allowed under this section for any qualified investment which is a credit allowed under section 46A.

(d) CONFORMING AMENDMENTS.—

(1) Section 49(a)(1)(C) is amended by striking ‘‘and’’ at the end of clause (ii), by striking clause (iii), and by adding after clause (ii) the following new clause:

(e) the basis of any property which is part of a qualifying advanced coal project under section 46A, and

(2) The table of sections for part IV of subtitle A of Chapter 1 of subpart E of the Internal Revenue Code of 1986 is revised to read as follows:

(2) SEC. 48B. Qualifying gasification project credit.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, 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. 1308. ELECTRIC TRANSMISSION PROPERTY TREATED AS 15-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (E) of section 168(g)(3)(E) relating to classification of certain property is amended by striking ‘‘and’’ at the end of clause (v) and by adding at the end of that clause the following:

‘‘(vii) any section 1245 property (as defined in section 1245(a)(3)) used in the transmission at 69 or more kilovolts of electricity for sale and the original use of which commences with the taxpayer after April 11, 2005.’’

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) relating to special rules for certain property assigned to classes is amended by inserting after the item relating to section 48 the following new item:

‘‘(E)(ii) .................. 30;’’

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to property placed in service after April 11, 2005.

(2) EXCEPTION.—The amendments made by this section shall not apply to any property with respect to which the taxpayer or a related party has entered into a binding contract for the construction thereof on or before April 11, 2005, or, in the case of self-constructed property, has started construction on or before such date.
(b) Treatment as New Identifiable Treatment Facility.—Subparagraph (B) of section 169(d)(4) is amended to read as follows:

"(B) Certain facilities placed in operation after December 31, 2004, in the case of a facility described in paragraph (1) solely by reason of paragraph (5), subparagraph (A) shall be applied by substituting ‘April 11, 2005’ for ‘December 31, 2004’ it appears therein."

(c) CONFORMING AMENDMENT.—The heading for section 169(d) is amended by inserting “and” and the heading for section 169(e) is amended by inserting “and”.

(d) TECHNICAL AMENDMENT.—Section 169(d)(3) is amended by striking “Health, Education, and Welfare” and inserting “Health and Human Services Administration.”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after April 11, 2005.

SEC. 1110. MIGRATIONS TO SPECIAL RULES FOR NUCLEAR DECOMMISSIONING COSTS.

(a) REPEAL OF LIMITATION ON DEPOSITS INTO FUND BASED ON COST OF SERVICE; CONTRIBUTIONS AFTER FUNDING PERIOD.—Subsection (b) of section 468A (relating to special rules for nuclear decommissioning costs) is amended to read as follows:

"(b) LIMITATION ON AMOUNTS PAID INTO FUND.—The amount which a taxpayer may pay into the Fund for any taxable year shall not exceed the ruling amount applicable to such taxable year;".

(b) TREATMENT OF CERTAIN DECOMMISSIONING COSTS.

(1) IN GENERAL.—Section 468A is amended by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

"(f) Transfers into Qualified Funds.—

"(i) Transfers into Qualified Funds.—

(1) In general.—Section 468A(e)(2) (relating to rate of taxation of Fund) is amended by adding at the end the following new subparagraph:

"(A) the Fund the total nuclear decommissioning costs with respect to such nuclear power plant over the estimated useful life of such power plant, and".

(2) New Ruling Amount Required Upon Election to Close.

(3) Limitations on Amounts Transferred to the Fund.

(4) Limitations on Amounts Transferred to the Fund.

(5) Technical Amendments.

(6) Effective Date.

(c) New Ruling Amount Required Upon Election to Close.

(d) CONFORMING AMENDMENT.—Section 468A(e)(3) (relating to review of amount) is amended by striking “The Fund” and inserting “Except as provided in subsection (f), the Fund.”

(e) Technical Amendments.—Section 468A(e)(2) (relating to taxation of Fund) is amended by adding at the end the following new subparagraph:

"(D) as subparagraphs (B) and (C), respectively.

(f) Effective Date.

Paragraph (1) of section 172(b) (relating to net operating loss carrybacks and carryovers) is amended by adding at the end the following new subparagraph:

"(I) Deduction for Amounts Transferred.—

"(A) In general.—Except as provided in subparagraph (C), the deduction allowed by subsection (a) for any taxable year shall be limited to the portion of the total nuclear decommissioning costs with respect to such nuclear power plant previously excluded for such nuclear power plant under subsection (d)(2)(A) as in effect immediately before the date of the enactment of this subsection.

"(B) Denial of Deduction for Previously Deducted Amounts.—No deduction shall be allowed for any transfer under this subsection of an amount for which a deduction was previously allowed to the taxpayer (or a predecessor) or a corresponding amount was not included in the gross income of the taxpayer (or a predecessor). For purposes of the preceding sentence, a ratable portion of each transfer shall be treated as being from previously deducted or excluded amounts to the extent thereof.

"(C) Transfers of Qualified Funds.—If—

(i) any transfer permitted by this subsection is made to any Fund to which this section applies, and

(ii) such Fund is transferred thereafter, any deduction under this subsection for any taxable year in the case of such Fund shall be allowed to the transferee for the taxable year in which such date occurs.

"(D) Special Rules for Amounts Transferred to the Fund.—

"(i) Gain or Loss Not Recognized on Transfers to Fund.—No gain or loss shall be recognized on any transfer described in paragraph (1).

"(ii) Transfers of Appreciated Property to Fund.—If appreciated property is transferred in a transfer described in paragraph (1), the amount of the deduction shall not exceed the adjusted basis of such property.

"(3) New Ruling Amount Required.—

"(A) In general.—For purposes of applying subsection (d)(2)(A) for which the requestor requests from the Secretary a new schedule of ruling amounts in connection with such transfer.

"(B) Limitations on Amounts Transferred to the Fund.

"(2) New Ruling Amount to Take into Account Total Costs.—Subparagraph (A) of section 468A(d)(5) (relating to amount of transfer) is amended to read as follows:

"(A) Fund the total nuclear decommissioning costs with respect to such nuclear power plant over the estimated useful life of such power plant, and".

"(c) New Ruling Amount Required Upon Election to Close.

"(2) New Ruling Amount to Take into Account Total Costs.—Subparagraph (A) of section 468A(d)(5) (relating to amount of transfer) is amended to read as follows:

"(A) Fund the total nuclear decommissioning costs with respect to such nuclear power plant over the estimated useful life of such power plant, and".

"(C) Technical Amendments.

"(ii) TRANSFERS OF APPRECIATED PROPERTY TO FUND.—For purposes of a net operating loss to which an expenditure, chargeable to capital account, made by the taxpayer which is attributable to the transmission of electricity for sale. Such term shall not include any expenditure which may be refunded or the portion of which may be modified at the option of the taxpayer so as to cease to be treated as an expenditure within the meaning of such term."

Subtitle B—Domestic Fuel Security

SEC. 1321. EXTENSION OF CREDIT FOR PRODUCING UNCONVENTIONAL SOURCES OF FACILITIES PRODUCING COKE OR COKE GAS.

(a) IN GENERAL.—Section 29 (relating to credit for producing fuel from a nonconventional source) is amended by adding at the end the following new subsection:

"(k) Extension for Facilities Producing Coke or Coke Gas.—Notwithstanding subsection (f)—

"(1) in the case of a facility for producing coke or coke gas which has been placed in service before January 1, 1993, or after June 30, 1998, and before January 1, 2010, this section shall apply with respect to coke and coke gas produced in such facility and sold during the period beginning on the later of January 1, 2006, or the date that such facility is placed in service, and

"(B) ending on the date which is 4 years after the date such period began.

"(2) Special Rules.—In determining the amount of credit allowable under this section solely by reason of this subsection—

"(A) DAILY LIMIT.—The amount of qualified fuels sold during any taxable year which may be taken into account by a person with respect to any facility shall not exceed an average barrel-of-oil equivalent of 4,000 barrels per day; and

"(B) EXTENSION PERIOD TO COMMENCE WITH UNADJUSTED CREDIT AMOUNT.—For purposes of applying subsection (b)(2) to the $3 amount in subsection (a), in the case of fuels sold after 2005, subsection (d)(2)(B) shall be applied by substituting ‘2004’ for ‘2003’ and

"(C) Denial of Double Benefit.—This subsection shall not apply to any facility producing qualified fuels for which a credit was allowed under section 29 or any preceding taxable year by reason of subsection (g)."
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SEC. 1222. MODIFICATION OF CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.

(a) TREATMENT OF CREDIT.—

(1) CREDIT MOVED TO SUBPART RELATING TO BUSINESS RELATED CREDITS.—The Internal Revenue Code of 1986 is amended by redesignating section 45(n) as section 45(o), and by moving section 45(k) (as so redesignated) from subpart B of part IV of subchapter A of chapter 1 to the end of subpart D of part IV of subchapter A of chapter 1.

(2) CREDIT TREATED AS BUSINESS CREDIT.—

Section 38(b), as amended by this Act, is amended by striking “plus” at the end of paragraph (29), by striking the period at the end of paragraph (22) and inserting “, plus”, and by adding at the end the following: ”

“(22) the nonconventional source production credit determined under section 45(k).”.

(3) CONFORMING AMENDMENTS.—

(A) Section 30(b)(3)(A) is amended by striking “section 45(n)” and inserting “section 45(k)”.

(B) Sections 43(c)(2), 45(f)(2)(C)(i)(I), and 613A(c)(6)(C) are each amended by striking “section 29(d)(2)(C)” and inserting “section 29(d)(2)(K)”.

(C) Section 45(e)(8), as added by this Act, is amended—

(i) by striking “section 29” each place it appears and inserting “section 45k”, and

(ii) by inserting “or under section 29, as in effect on the day before the date of enactment of the Energy Tax Incentives Act of 2005, for any prior taxable year” before the period at the end thereof.

(D) Section 45i is amended—

(i) in subsection (c)(2)(A) by striking “section 29(d)(5)” and inserting “section 45k(d)(5)”, and

(ii) in subsection (d)(3) by striking “section 29” both places it appears and inserting “section 45k”.

(E) Section 45ka, as redesignated by paragraph (1), is amended by striking “There shall be allowed a credit against the tax imposed by this chapter for the taxable year” and inserting “For purposes of section 38, if the taxpayer elects under section 38(j)(2)(B) to apply, the nonconventional source production credit determined under this section for the taxable year is”.

(F) Section 45r(b)(6), as so redesignated, is amended by striking paragraph (6).

(G) Section 53(d)(1)(B)(iii) is amended by striking “under section 29” and all that follows through “is not allowable”.

(H) Section 55(c)(3) is amended by striking “29(b)(6),”.

(i) Subsection (a) of section 772 is amended by inserting “and” at the end of paragraph (9), by striking paragraph (10), and by redesignating paragraph (11) as paragraph (10).

(j) Paragraph (3) of section 772d is amended by striking “the foreign tax credit, and the credit allowable under section 29 and inserting “and foreign tax credit”.

(k) Sections 179, 179A, and 179B of the Revenue Act of 1978 are each amended by striking “section 29” and all that follows through “taxable year”.

(2) CONFORMING AMENDMENTS.—

(A) in subparagraph (A) by striking “section 29(j)(B)” and inserting “section 45K(j)(B)”, and

(B) in subparagraph (B) by striking “section 45K” and inserting “section 45K”.

(C) EFFECTIVE DATES.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to credits determined under the Internal Revenue Code of 1986 for taxable years ending after December 31, 2005.

(2) Subsection (b).—The amendments made by subsection (b) shall take effect on the date of the enactment of this Act.

SEC. 1223. TEMPORARY EXEMPTION FOR EQUIPMENT USED IN REFINING OF LIQUID FUELS.

(a) In general.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179B the following new section:

“SEC. 179C. ELECTION TO EXPENSE CERTAIN REFINERIES.

“(a) TREATMENT AS EXPENSE.—A taxpayer may elect to treat 50 percent of the cost of any qualified refinery property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as an deduction for the taxable year in which the qualified refinery property is placed in service.

“(b) Election irrevocable.—The election made under this section shall be made on the timely filed return for such taxable year.

“(c) Qualified Refinery Property.—

“(1) In general.—The term ‘qualified refinery property’ means any refinery located in the United States which is designed to serve the primary purpose of processing liquid fuel from crude oil or qualified fuels (as defined in section 45K(c)), and

“(2) Construction of Credit.—For purposes of this section, the ‘qualified refinery’ means any refinery located in the United States which is designed to serve the primary purpose of processing liquid fuel from crude oil or qualified fuels (as defined in section 45K(c)).

“(d) Waiver under Clean Air Act.—A waiver under the Clean Air Act shall not be taken into account in determining whether a refinery is a qualified refinery.

“(e) CREDIT.—For purposes of this section, the ‘qualified refinery’ means any refinery located in the United States which is designed to serve the primary purpose of processing liquid fuel from crude oil or qualified fuels (as defined in section 45K(c)).

“(f) Effective Date.—The amendments made by this section shall apply to properties placed after the item relating to section 179B after the item relating to section 179B.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuel produced and sold after December 31, 2005, in taxable years ending after such date.
in service after the date of the enactment of this Act.

SEC. 1323. PASS THROUGH TO OWNERS OF DEEDDUCATION ON CAPITAL COSTS INCURRED BY SMALL REFINER CO-OPERATIVES IN COMPLYING WITH ENVIRONMENTAL PROTECTION AGENCY SULFUR REGULATIONS.

(a) IN GENERAL.—Section 179B (relating to deduction for capital costs incurred in complying with environmental protection agency sulfur regulations) is amended by adding at the end of this subsection the following new clause:

"(e) ELECTIVE ALLOCATION TO COOPERATIVE OWNERS.—(1) IN GENERAL.—(A) A small business refiner to which subsection (a) applies shall be entitled to elect, to which part I of subchapter T applies, and (B) one or more persons directly holding an ownership interest in the refiner are organizations to which part I of subchapter T applies, the refiner may elect to allocate all or a portion of the deduction allowable under subsection (a) to such persons. Such allocation shall be equal to the person's ratable share of the total amount allocated, determined on the basis of the person's ownership interest in the taxpayer. The taxable income of the refiner shall not be reduced by section 1392 by reason of any amount to which the preceding sentence applies.

(2) FORM AND EFFECT OF ELECTION.—An election under paragraph (1) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

(3) NOTICE TO THE OWNERS.—If any portion of the deduction available under subsection (a) is allocated to owners under paragraph (1), the cooperative shall provide any owner receiving an allocation with written notice of the amount of the allocation. Such notice shall be provided before the date on which the return described in paragraph (2) is due.

(4) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by section 338(a) of the American Jobs Creation Act of 2004.

SEC. 1325. NATURAL GAS DISTRIBUTION LINES TREATED AS 15-YEAR PROPERTY.

(a) IN GENERAL.—Section 168(e)(3)(E) (defining 15-year property, as amended by this Act, is amended by striking "and" at the end of clause (vi), by striking the period at the end of clause (vi) and by inserting "the", and by adding at the end of the clause the following new item:

"(viii) any natural gas distribution line the original use of which commences with the taxpayer after 2005, and"

(b) NATURAL GAS GATHERING LINE.—Subsection (i) of section 168 is amended by inserting after paragraph (16) the following new paragraph:

"(17) NATURAL GAS GATHERING LINE.—The term 'natural gas gathering line' means—

(A) the pipe, equipment, and appurtenances determined to be a gathering line by the Federal Energy Regulatory Commission, and

(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead or a common point to the point at which such gas first reaches—

(i) a gas processing plant,

(ii) an interconnection with a transmission pipeline for which a certificate has been issued by the Federal Energy Regulatory Commission, or

(iii) an interconnection with an intrastate transmission pipeline, or

(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.

[T]he term 'natural gas gathering line' means—

(A)(i) in the case of a gatherer to which part I of subchapter T applies, and

(ii) any property owned by a governmental entity, as such property was used for the production or transportation of natural gas for which the Secretary of the Treasury has made a determination under section 1367(b).

(T)he term 'natural gas gathering line' means—

(A)(i) in the case of a gatherer to which part I of subchapter T applies, and

(ii) any property owned by a governmental entity, as such property was used for the production or transportation of natural gas for which the Secretary of the Treasury has made a determination under section 1367(b).

The table contained in section 168(o)(2)(B) (relating to special rule for certain property assigned to classes), as amended by this Act, is amended by inserting after the item relating to subparagraph (C)(iii) the following new item:

"(C)(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.

SEC. 1327. ARBITRAGE RULES NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS.

(a) IN GENERAL.—Subsection (b) of section 148 (relating to higher yielding investments) is amended by adding at the end of the following new paragraph:

"(4) SAFE HARBOR FOR PREPAID NATURAL GAS—.(A) IN GENERAL.—The term 'investment-type property' does not include a prepayment under a qualified natural gas supply contract.

(2) QUALIFIED NATURAL GAS SUPPLY CONTRACT.—For purposes of this paragraph, the term 'qualified natural gas supply contract' means any contract to acquire natural gas for resale by a utility owned by a governmental unit if the amount of gas permitted to be acquired under the contract by the utility during any year does not exceed the sum of—

(i) the amount of natural gas needed (other than for resale) by customers of such utility who are located within the service area of such utility, and

(ii) the amount of natural gas used to transport natural gas to the utility.

(3) TESTING PERIOD.—For purposes of this paragraph, the term 'testing period' means, with respect to an issue, the most recent 5 calendar years ending before the date of issuance of the issue.

(4) SERVICE AREA.—For purposes of this paragraph, the service area of a utility owned by a governmental unit shall be comprised of—

(i) any area located within the service area of such utility, and

(ii) any area within a county contiguous to the area described in clause (i) in which retail customers of such utility are located if such retail customers are served only by such utility through a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.

(b) ALTERNATIVE SYSTEM.—Subparagraph (C) of section 168(o)(3)(E) (relating to classification of certain property to which part I of subchapter T applies, and the term 'natural gas gathering line' means—

(A)(i) in the case of a gatherer to which part I of subchapter T applies, and

(ii) any property owned by a governmental entity, as such property was used for the production or transportation of natural gas for which the Secretary of the Treasury has made a determination under section 1367(b).

[The amendment made by this section shall take effect as if included in the amendment made by section 338(a) of the American Jobs Creation Act of 2004.]

SEC. 1326. NATURAL GAS GATHERING LINES TREATED AS 7-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (C) of section 168(o)(3)(E) (relating to classification of certain property to which part I of subchapter T applies, and the term 'natural gas gathering line' means—

(A)(i) in the case of a gatherer to which part I of subchapter T applies, and

(ii) any property owned by a governmental entity, as such property was used for the production or transportation of natural gas for which the Secretary of the Treasury has made a determination under section 1367(b).
paragraph (B) and inserting '"', 'or', 'and' by adding at the end the following new subparagraph:

"(C) is a qualified natural gas supply contract as defined in section 168(b)(2)."

(c) EXCEPTION FOR QUALIFIED ELECTRIC AND NATURAL GAS SUPPLY CONTRACTS.—Section 141(d) is amended by adding at the end the following new paragraph:

"(7) EXCEPTION FOR QUALIFIED ELECTRIC AND NATURAL GAS SUPPLY CONTRACTS.—The term 'nongovernmental output property' shall not include a qualified electric or natural gas property which is not investment property under section 168(b)(2)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 1329. DETERMINATION OF SMALL REFINERY EXCISE TO OIL DEPLETION DEDUCTION.

(a) IN GENERAL.—(4) TREATMENT UPON ABANDONMENT.—If any amount otherwise allowed under this paragraph as a depletion deduction shall be allowed with respect to any building upon which more than 100 percentage points bears to 15, the deduction so allowed.

(b) which is installed on or in any building which is—

(i) located in the United States, and


(c) which is installed as part of—

(i) the interior lighting systems,

(ii) the heating, cooling, ventilation, and hot water systems,

(iii) the building envelope, and

(iv) which is certified in accordance with subsection (c)(1)(D).

(d) which is certified in accordance with subsection (c)(1)(D), and in Standard 90.1–2001.

(e) which is within the scope of Standard 90.1–2001.

(f) which is certified in accordance with subsection (c)(1)(D), and in Standard 90.1–2001.

SEC. 1329A. AMORTIZATION OF GEOLOGICAL AND GEO-PHYSICAL EXPENDITURES.

(a) IN GENERAL.—Any geological and geophysical expenses paid or incurred in connection with the exploration for, or development of, oil or gas within the United States (as defined in section 162(e)) shall be allowed as a deduction for all prior taxable years.

(b) WHICH EXPENSES MAY BE ALLOWED.—(1) PARTIAL ALLOWANCE.—Any calculation under paragraph (2) shall be prepared by qualified computer software.

(c) DEFINITIONS.—For purposes of this subsection:

"(1) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.—The term 'energy efficient commercial building property' means property—

"(A) which is qualified, and

"(B) which is installed in or on a building which is—

(i) located in the United States,

(ii) within Standard 90.1–2001, and

(iii) which is installed as part of—

(A) the interior lighting systems,

(B) the heating, cooling, ventilation, and hot water systems,

(C) the building envelope, and

(D) which is certified in accordance with subsection (c)(1)(D).


"(3) SPECIAL RULES.—(1) PARTIAL ALLOWANCE.—

"(A) IN GENERAL.—As provided in subsection (1), if—

(i) the requirement of subsection (c)(1)(D) is not met, but

(ii) there is a certification in accordance with subsection (c)(1)(D), and in Standard 90.1–2001.

there is a certification in accordance with subsection (c)(1)(D) which meets the minimum requirements of Standard 90.1–2001, then the requirement of subsection (c)(1)(D) shall be treated as met with respect to such system, and the deduction under subsection (a) shall be allowed with respect to energy efficient commercial building property installed as part of such system, as a part of a plan to meet such targets, but subsection (b) shall be applied to such property by substituting '$6.00' for '$1.80'.

"(B) REGULATIONS.—The Secretary, after consultation with the Secretary of Energy, shall promulgate regulations which describe in detail methods for calculating and verifying energy and power consumption and cost, based on the provisions of the 2005 California Nonresidential Alternatives Calculation Method Approval Manual.

"(3) COMPUTER SOFTWARE.—

"(A) IN GENERAL.—For purposes of this paragraph, the term 'qualified computer software' means software—

(i) which provides such forms as required to be filed by the Secretary in connection with energy efficiency of property and the deduction allowed under this section, and

(ii) which provides a computer software interface which documents the energy efficiency features of the building and its projected annual energy costs.

"(4) EFFECTIVE DATE.—In the case of energy efficient commercial building property installed on or in property owned by a Federal, State, or local government, or a political subdivision thereof, the Secretary shall promulgate a regulation to allow the allocation of the deduction to the person primarily responsible for designing the property in lieu of the owner of such property. Such person shall be treated as the taxpayer for purposes of this section.

"(5) NOTICE TO OWNER.—Each certification required under this section shall include an explanation to the building owner regarding the energy efficiency features of the building and its projected annual energy costs as provided in the notice under paragraph (3)(B)(iii).

"(6) CERTIFICATION.—

"(A) IN GENERAL.—The Secretary shall prescribe the manner and method for the making of certifications under this section.

"(B) PROCEDURES.—The Secretary shall include as part of the certification process procedures for inspection and testing by qualified individuals described in subparagraph (C) to ensure compliance of buildings with energy-savings plans and targets. Such procedures shall be comparable, given the difference between commercial and residential buildings, to the requirements in the Mortgage Industry National Accreditation Procedures for Home Energy Rating Systems.

"(C) QUALIFIED INDIVIDUALS.—Individuals qualified to determine compliance shall be only those individuals who are recognized by an organization certified by the Secretary for such purposes.

"(7) EXCEPTION FOR QUALIFIED INDIVIDUALS.—For purposes of this subparagraph, if a deduction is allowed under this section with respect to any commercial building property, the basis of such property shall be reduced by the amount of the deduction so allowed.

"(8) INTERIM RULES FOR LIGHTING SYSTEMS.—Until such time as the Secretary issues final regulations under subsection (d)(1)(B) with respect to property which is part of a lighting system—

(i) 50, and

(ii) the amount which bears the same ratio to 50 as the interior lighting power density of the lighting system over 25 percentage points bears to 15.

"(9) Qualifying electric and natural gas property which is not investment property under section 168(b)(2)."
Section 179, 179A, 179B, or 179D. (c) C LERICAL AMENDMENT. (1) The table of sections for part VI of chapter 1 of chapter A of chapter 1 (relating to business revenues) is amended by striking "and Application, Ninth Edition, 2000. North America Lighting Handbook, Performance and Application, Ninth Edition, 2000. " (4) The chart of parts for subtitle, if a credit is allowed under this section shall apply to property placed in service after December 31, 2005. (5) The term "construction" includes substantial reconstruction and rehabilitation. (f) EFFECTIVE DATE. The amendments made by this section shall apply to qualified new energy efficient homes acquired after December 31, 2007. (g) BASIS ADJUSTMENT. —Section 25C. NONBUSINESS ENERGY PROPERTY. (a) In General.—Subpart D of part IV of section 25 of chapter 1 of chapter A of title 30 (relating to nonbusiness personal credits) is amended by inserting after section 179D the following new section: Section 1333. CREDIT FOR CERTAIN NONBUSINESS ENERGY PROPERTY. (a) In General.—Subpart A of part IV of chapter 1 of subchapter A of chapter 1 (relating to nonbusiness personal credits) is amended by inserting after section 30E the following new section: (1) Allowance of credit.—A certification described in subsection (a) may be made by an eligible contractor, or a person from whom such eligible contractor acquired the services described in subsection (a), who acquired such services after December 31, 2007. (b) Effective date.—The amendments made by this section shall apply to property placed in service after December 31, 2006. SEC. 1333. CREDIT FOR CERTAIN NONBUSINESS ENERGY PROPERTY. (a) In General.—Subpart A of part IV of chapter 1 of subchapter A of chapter 1 (relating to nonbusiness personal credits) is amended by inserting after section 30E the following new section: SEC. 25C. NONBUSINESS ENERGY PROPERTY. (a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of— (1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and (2) the amount of the residual energy property expenditures paid or incurred by the taxpayer during such taxable year. SEC. 1016(e), as amended by this Act, is amended by adding at the end the following new item:— (1) ALLOWANCE OF CREDIT.—A certification described in subsection (a) shall be made in writing in a manner which specifies in readily verifiable fashion the following elements:— (A) Construction of new energy efficient home which is constructed in accordance with the standards of chapter 4 of the 2006 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of this section, and (B) to have building envelope component improvements account for at least 1 5 of such 50 percent, (2) a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 3280 of title 24, Code of Federal Regulations) and which meets the requirements of paragraph (1), or (3) a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 3280 of title 24, Code of Federal Regulations) and which— (A) meets the requirements of paragraph (1) applied by substituting '50 percent' for '50 percent' both places it appears therein and by substituting ' 1/2' for ' 1/2' in subparagraph (B) thereof, or (B) meets the requirements established by the Administrator of the Environmental Protection Agency under the Energy Star Labeled Homes program. (d) Certification.— (1) Method of Certification.—A certification described in subsection (c) shall be made in accordance with guidance prescribed by the Secretary, after consultation with the Secretary of Energy. Such guidance shall specify procedures and methods for calculating energy and cost savings. (2) Form.—Any certification described in subsection (c) shall be made in writing in a manner which specifies in readily verifiable fashion the following elements:— (A) The energy efficient building envelope components and energy efficient heating or cooling equipment installed and their respective rated energy efficiency performance. (B) The number of the dwelling units involved. (C) The amount of the energy credits allowed under this section with respect to such amounts for all prior taxable years. (D) The number of the dwelling units involved. (E) The number of the dwelling units involved. (F) The amount of the energy credits allowed under this section with respect to such amounts for all prior taxable years. (G) The number of the dwelling units involved. (H) The amount of the energy credits allowed under this section with respect to such amounts for all prior taxable years. (I) The number of the dwelling units involved. (J) The amount of the energy credits allowed under this section with respect to such amounts for all prior taxable years. (K) The number of the dwelling units involved. (L) The amount of the energy credits allowed under this section with respect to such amounts for all prior taxable years.
(A) $90 for any advanced main air circulating fan,
(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, or
(C) $250 for any item of energy-efficient building property.

(c) QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—This section—
(1) IN GENERAL.—The term ‘qualified energy efficiency improvements’ means any energy efficient building envelope component which meets the prescriptive criteria for such component established by the 2000 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of this section (or, in the case of a metal roof with appropriate pigmented coatings which meet the Energy Star program requirements), if—
(A) such component is installed in or on a dwelling unit located in the United States and owned and used by the taxpayer as the taxpayer’s principal residence (within the meaning of section 121),
(B) it is installed in a dwelling unit which—
(i) is a single-family dwelling unit located in the United States, and
(ii) uses water heating services
(C) such component was installed after December 31, 2005.

(2) BUILDING ENVELOPE COMPONENT.—The term ‘building envelope component’ means—
(A) any insulation material or system which is specifically designed to reduce the heat loss or gain of a dwelling unit when installed in or on such dwelling unit,
(B) an improvement to the exterior (including skylights).
(C) any metal roof installed as an addition to a dwelling unit, but only if such roof has appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of such dwelling unit.
(D) MANUFACTURED HOMES INCLUDED.—The term ‘building envelope component’ includes a wall of a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 202 of title 42, Code of Federal Regulations).

(3) RESIDENTIAL PROPERTY EXPENDITURES.—For purposes of this section—
(1) IN GENERAL.—The term ‘residential energy property expenditures’ means expenditures made by the taxpayer for qualified energy property which is—
(A) installed on or in connection with a dwelling unit located in the United States and owned and used by the taxpayer as the taxpayer’s principal residence (within the meaning of section 121), or
(B) installed on or in a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (section 3280 of title 24, Code of Federal Regulations).

(2) QUALIFIED ENERGY PROPERTY.—
(A) IN GENERAL.—The term ‘qualified energy property’ means—
(i) any electric heat pump water heater which yields an energy factor of at least 2.0 in the standard Department of Energy test procedure,
(ii) an electric hot water heater which has a heating coefficient of performance (COP) of at least 2.5, and
(iii) a heat pump water heater which has an energy efficiency ratio (EER) of at least 11.

(3) REQUIREMENTS FOR STANDARDS.—The term ‘qualified energy efficient building property’ means—
(A) any item of energy-efficient property described under subparagraph (A) of paragraph (2), or
(B) a central air conditioner which achieves a seasonal energy efficiency ratio (SEER) of at least 15.0.

(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term ‘qualified natural gas, propane, or oil furnace or hot water boiler’ means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 85.

(5) ADVANCED MAIN AIR CIRCULATING FAN.—The term ‘advanced main air circulating fan’ means any fan used in a natural gas, propane, or oil furnace and which has an annual electricity use of no more than 1% of the annual fuel energy used by the furnace.

(6) SPECIAL RULES.—For purposes of this section—
(1) APPLICATION OF RULES.—Rules similar to the rules under paragraphs (4), (5), (6), (7), (8), and (9) of section 25C shall apply.

(2) JOINT OWNERSHIP OF ENERGY ITEMS.—
(A) IN GENERAL.—Any expenditure which qualifies as an expenditure under this section shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.
(B) LIMITS APPLIED SEPARATELY.—In the case of any expenditure described in subparagraph (A), the amount of the credit allowable under section 25C shall be reduced by the amount of the credit made for each dwelling unit.

(3) BONUS ADJUSTMENTS.—For purposes of this subsection, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property resulting from such expenditure shall be reduced by the amount of the credit so allowed.

(g) TERMINATION.—This section shall not apply with respect to any property placed in service after December 31, 2007.

(b) CONFORMING AMENDMENTS.—(1) Section 1016, as amended by this Act, is amended by striking ‘(and)’ at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ‘, and’ and by adding at the end the following new paragraph:

‘(4) to the extent provided in section 25C(e), in the case of amounts with respect to which a credit has been allowed under section 25C.’

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25B the following new item:

‘Sec. 25C. Nonbusiness energy property.’

(c) EFFECTIVE DATES.—The amendments made by this section shall apply to property placed in service after December 31, 2005.

SEC. 45M. ENERGY EFFICIENT APPLIANCES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding after the item relating to section 25B the following new section:

‘Sec. 45M. Energy efficient appliances credit.

’

(a) GENERAL RULE.—

(1) IN GENERAL.—For purposes of section 38, the energy efficient appliance credit determined under section 38 in respect to a type of appliance is the amount equal to the sum of the credit amounts determined under paragraph (2) for each type of qualified energy efficient appliance produced by the taxpayer during the calendar year ending with or within the taxable year.

(2) CREDIT AMOUNTS.—The credit amount determined for any type of qualified energy efficient appliance is—

(A) the applicable amount determined under subsection (b) with respect to such type, multiplied by

(B) the eligible production for such type.

(b) APPLICABLE AMOUNT.—

(1) IN GENERAL.—For purposes of subsection (a)—

(A) DISHWASHERS.—The applicable amount is $100 in the case of a dishwasher which—

(i) is manufactured in calendar year 2006 or 2007, and

(ii) meets the requirements of the Energy Star program which are in effect for dishwashers in 2007.

(B) CLOTHES WASHERS.—The applicable amount is $100 in the case of a clothes washer which—

(i) is manufactured in calendar year 2006 or 2007, and

(ii) meets the requirements of the Energy Star program which are in effect for clothes washers in 2007.

(C) REFRIGERATORS.—

(i) 15 PERCENT SAVINGS.—The applicable amount is $75 in the case of a refrigerator which—

(I) is manufactured in calendar year 2006, and

(II) consumes at least 15 percent but not more than 20 percent less kilowatt hours per year than the 2001 energy conservation standards.

(ii) 20 PERCENT SAVINGS.—The applicable amount is $125 in the case of a refrigerator which—

(I) is manufactured in calendar year 2006 or 2007, and

(II) consumes at least 20 percent but not more than 25 percent less kilowatt hours per year than the 2001 energy conservation standards.

(iii) 25 PERCENT SAVINGS.—The applicable amount is $175 in the case of a refrigerator which—
"(1) IN GENERAL.—Except as provided in paragraphs (2), (3), and (4) of this section, the aggregate amount of the credit allowed under subsection (a) for any taxable year shall not exceed $75,000,000 reduced by the amount of the credit allowed under subsection (a) with respect to any qualified fuel cell property expenditures made by the taxpayer during any taxable year.

(2) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 48(c)(1) for which qualified fuel cell property expenditures are made, the credit allowable under subsection (a) for any taxable year shall not exceed the amount of the credit allowable under subsection (a) as reduced by the amount of the credit allowable under subsection (a) for any taxable year.

(3) DOLLAR AMOUNTS IN CASE OF JOINT USE.—The term ‘qualified energy efficient appliance’ means—

(A) any dishwasher described in subsection (b)(1)(A),

(B) any clothes washer described in subsection (b)(1)(B), and

(C) any refrigerator described in subsection (b)(1)(C).

(4) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by 2 or more individuals or entities described in paragraph (1) or (2) of subsection (d) solely because it constitutes a structural component of the structure on which it is installed.

(5) SWIMMING POOLS, ETC., USED AS STORAGE MEDIUM.—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

(6) DOLLAR AMOUNTS IN CASE OF JOINT USE.—The term ‘qualified solar water heating property expenditures made by the taxpayer during any taxable year, and
year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

(B) Taxpayer begins. The amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

(2) Connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

(3) Section 1400C(d) is amended by striking this "section and inserting this "section and section 25D."

(4) Section 106(a), as amended by this Act, is amended by inserting as the first paragraph of part II of subchapter A of chapter 1 of subtitle E, and in the case of amounts with respect to which a credit has been allowed under section 25D.,

(5) The table of sections for subsection A of part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 25C, the following new item:

"Sec. 25D. Residential energy efficient property."

(6) Tenant-stockholder in cooperative housing corporation.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

(B) Condominium association.—For purposes of this paragraph, the term "condominium association" means an organization which meets the requirements of paragraph (1) of section 521(c) (other than subparagraph (B) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

(8) Allocation in certain cases.—If less than the amount of expenditures required to be allocated to nonbusiness purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness purposes shall be taken into account.

(9) When expenditure made; amount of expenditure.—(A) General.—Except as provided in subparagraphs (B)(i) and (C)(i), the credit allowed with respect to an item shall be treated as made when the original installation of the item is completed.

(B) Expenditures part of building construction.—In the case of an expenditure in connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

(10) Property financed by subsidized energy financing.—For purposes of determining the amount of expenditures made by any individual with respect to any dwelling unit, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 25A(4)).

(11) Basis adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

(12) Termination.—The credit allowed under this section shall not apply to property placed in service after December 31, 2007.

(13) Section 48(a)(3)(A) defining energy property is amended by striking "or" and the credit otherwise determined with respect to such property to the extent of the product of such credit multiplied by the sum of clause (ii), and by inserting at the end of such paragraph the following new clause:

"(iii) qualified fuel cell property or qualified microturbine property."

(14) Qualified fuel cell property; qualified microturbine property.—(A) General.—The term 'qualified fuel cell property' means a fuel cell power plant which—

(i) has a nameplate capacity of at least 0.5 kilowatt of electricity using an electrochemical process, and

(ii) has an electricity-only generation efficiency greater than 30 percent.

(B) Limitation.—In the case of qualified fuel cell property placed in service during the taxable year, the credit otherwise determined with respect to such property shall not exceed an amount equal to $200 for each kilowatt of capacity of such property.

(15) Qualified microturbine property.—(A) General.—The term 'qualified microturbine property' means a stationary microturbine power plant which—

(i) has a nameplate capacity of less than 2,000 kilowatts, and

(ii) has an electricity-only generation efficiency of at least 30 percent, except as provided by the International Standard Organization conditions.

(B) Limitation.—In the case of qualified microturbine property placed in service during a taxable year, the credit otherwise determined under paragraph (1) for such year with respect to such property shall not exceed an amount equal to $200 per kilowatt of capacity of such property.

(16) Special Rule.—The term 'qualified microturbine property' shall not include any property for any period after December 31, 2007.

(17) Energy percentage.—Section 48(a)(2)(A), (B), (C), (D), and (F) of section 48(a) are each amended, by inserting "energy percentage" in place of "energy"for purposes of determining the amount of the credit so allowed.

(18) Energy basis adjustments.—Section 48(a)(3)(A) defining energy property is further amended by adding at the end thereof the following new clause:

"(I) qualified fuel cell property,

(ii) qualified microturbine property."

(19) Microturbine property.—(A) General.—The term 'microturbine property' means a microturbine power plant which is eligible for credit under subsection (f) and in the case of amounts with respect to which a credit has been allowed under section 25D.,

(20) Maximum amount of credit.—(A) General.—The amount of the credit allowed under subsection (a) for the taxable year shall not exceed the amount of the credit allowed under section 1400C.

(21) Maximum amount of credit.—(A) General.—The amount of the credit allowed under subsection (a) for the taxable year shall not exceed the amount of the credit allowed under section 1400C.

(22) Maximum amount of credit.—(A) General.—The amount of the credit allowed under subsection (a) for the taxable year shall not exceed the amount of the credit allowed under section 1400C.

(23) Maximum amount of credit.—(A) General.—The amount of the credit allowed under subsection (a) for the taxable year shall not exceed the amount of the credit allowed under section 1400C.
Subtitle D—Alternative Motor Vehicles and Fuels Incentives

SEC. 3341. ALTERNATIVE MOTOR VEHICLE CREDIT.

(a) In general.—Subchapter B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"SEC. 30B. ALTERNATIVE MOTOR VEHICLE CREDIT.—

(1) In general.—For purposes of subsection (a), the new qualified fuel cell motor vehicle credit determined under subsection (e),

(2) the new advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

"(b) Qualifying Alternatives.—

The new qualified alternative fuel motor vehicle credit shall be determined in accordance with the following tables:

<table>
<thead>
<tr>
<th>Vehicle Inertia Weight Class</th>
<th>The 2002 Model Year Fuel Economy</th>
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"(c) Alternative Motor Vehicles and Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"(1) In general.—For purposes of subsection (a), the new qualified fuel cell motor vehicle credit determined under subsection (e),

(2) the new advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

"(b) Qualifying Alternatives.—

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"(2) In general.—For purposes of subsection (a), the new qualified alternative fuel motor vehicle credit determined under subsection (e),

(2) the new advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

"(b) Qualifying Alternatives.—

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</tr>
<tr>
<td>2,500 lbs</td>
<td>29.0 mpg</td>
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<tr>
<td>2,750 lbs</td>
<td>26.6 mpg</td>
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<tr>
<td>3,000 lbs</td>
<td>23.0 mpg</td>
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<tr>
<td>3,500 lbs</td>
<td>19.4 mpg</td>
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<tr>
<td>4,000 lbs</td>
<td>16.1 mpg</td>
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<tr>
<td>4,500 lbs</td>
<td>14.8 mpg</td>
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<tr>
<td>5,000 lbs</td>
<td>13.7 mpg</td>
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<tr>
<td>5,500 lbs</td>
<td>12.8 mpg</td>
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<tr>
<td>7,000 to 8,500 lbs</td>
<td>12.1 mpg</td>
</tr>
</tbody>
</table>

"(2) In general.—For purposes of subsection (a), the new qualified alternative fuel motor vehicle credit determined under subsection (e),

(2) the new advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

"(b) Qualifying Alternatives.—

The new alternative fuel motor vehicle credit shall be determined in accordance with the following tables:

<table>
<thead>
<tr>
<th>Vehicle Inertia Weight Class</th>
<th>The 2002 Model Year Fuel Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500 or 1,750 lbs</td>
<td>39.4 mpg</td>
</tr>
<tr>
<td>2,000 lbs</td>
<td>37.2 mpg</td>
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<tr>
<td>2,250 lbs</td>
<td>31.8 mpg</td>
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<td>29.0 mpg</td>
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<td>2,750 lbs</td>
<td>26.6 mpg</td>
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<td>16.1 mpg</td>
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<td>5,000 lbs</td>
<td>13.7 mpg</td>
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<tr>
<td>5,500 lbs</td>
<td>12.8 mpg</td>
</tr>
<tr>
<td>7,000 to 8,500 lbs</td>
<td>12.1 mpg</td>
</tr>
</tbody>
</table>

"(2) In general.—For purposes of subsection (a), the new qualified alternative fuel motor vehicle credit determined under subsection (e),

(2) the new advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).
than 8,500 pounds, the amount determined
has a gross vehicle weight rating of not more
passenger automobile or light truck and which
is a motor vehicle of at least 30 percent but
less than 8,500 pounds, and
— (II) $15,000, if such vehicle has a gross vehi-
cle weight rating of not more than 26,000 pounds,
and
— (III) $10,000, if such vehicle has a gross vehi-
cle weight rating of more than 26,000 pounds.

(3) NEW QUALIFIED HYBRID MOTOR VEHICLE
CREDIT.—
(A) IN GENERAL.—The term ‘‘new qualified
hybrid motor vehicle’’ means a motor vehicle—
(1) which draws propulsion energy from on-
board sources of stored energy which are both—
(I) an internal combustion or heat engine
using consumable fuel, and
(II) a rechargeable energy storage system.
— (ii) which is a vehicle to which
paragraph (2)(A) applies, has received a certifi-
cate of conformity under the Clean Air Act and
meets or exceeds the equivalent qualifying Califor-
nia low emission vehicle standard under sec-
tion 276(e)(2) of the Clean Air Act for that make
and model year, and
— (iii) in the case of a vehicle having a gross vehi-
cle weight rating of more than 8,500 pounds but
not more than 14,000 pounds, the Bin 5 Tier II
emission standard as so established,

— (ii) the original use of which commences with
the taxpayer,
— (iii) which is acquired for use or lease by
the taxpayer and not for resale, and
— (iv) which is made by a manufacturer.

Such term shall not include any vehicle which is
not a passenger automobile or light truck if
such vehicle has a gross vehicle weight rating of
less than 8,500 pounds.

(B) IN GENERAL.—For purposes of subpara-
graph (A), the term ‘‘commercial motor vehicle’’
means any motor vehicle other than a motor
vehicle of the same model, to the extent such
vehicle is allowed under this subsection if such
vehicle is not a new qualified alternative fuel
motor vehicle placed in service by the taxpayer
during the taxable year.

(C) ALTERNATIVE FUEL.—The term ‘‘al-
ternative fuel’’ means compressed natural gas,
liquefied natural gas, liquefied petroleum gas,
hydrogen, and any liquid at least 85 percent of
which consists of hydrogen.

(D) CREDIT.—Except as provided in subpara-
graph (5), the new qualified alter-
native fuel motor vehicle credit determined
under this subsection is an amount equal to the
percentage of the incremental cost of any new qualified alternative fuel motor vehicle
placed in service by the taxpayer during the
taxable year.

(2) APPLICABLE PERCENTAGE.—For purposes
of paragraph (1), the applicable percentage with
respect to any new qualified alternative fuel
motor vehicle placed in service by the taxpayer
during the taxable year is

— (A) 50 percent, plus
— (B) 30 percent, if such vehicle—
— (i) has received a certificate of conformity
under the Clean Air Act and meets or exceeds
the most stringent standard available for certifi-
cation under the Clean Air Act for that make
and model year vehicle (other than a zero em-
ission standard), or
— (ii) has received an order certifying the vehi-
cle as meeting the same requirements as vehicles
which may be sold or leased in California and
meets or exceeds the most stringent standard
available for certification under the State laws
of California (enacted in accordance with a
waiver granted under section 209(b) of the Clean
Air Act) for that make and model year vehicle
(other than a zero emission standard).

For purposes of the preceding sentence, in the
case of any new qualified alternative fuel motor
vehicle which weighs more than 14,000 pounds
but not more than 26,000 pounds, and

— (I) 4 percent in the case of a vehicle to which
paragraph (2)(A) applies,
— (II) 10 percent in the case of a vehicle which
has a gross vehicle weight rating or more than
8,500 pounds but not more than 14,000 pounds,
and
— (III) 15 percent in the case of a vehicle in ex-
cess of 14,000 pounds,

(iii) which has a maximum available power
of at least—

— (1) in the case of a vehicle to which
paragraph (2)(A) applies,
— (2) in the case of a vehicle having a gross vehi-
cle weight rating of more than 8,500 pounds but
not more than 14,000 pounds, the Bin 5 Tier II
emission standard as so established,

in class—

— (i) which draws propulsion energy from on-
board sources of stored energy which are both—

— (I) an internal combustion or heat engine
using consumable fuel, and

— (ii) which is a vehicle to which
paragraph (2)(A) applies, has received a certifi-
cate of conformity under the Clean Air Act and
meets or exceeds the equivalent qualifying Califor-
nia low emission vehicle standard under sec-
tion 276(e)(2) of the Clean Air Act for that make
and model year, and

— (I) an internal combustion or heat engine
which to which
paragraph (2)(A) applies, has received a certi-
cate of conformity under the Clean Air Act and
meets or exceeds the equivalent qualifying Califor-
nia low emission vehicle standard under sec-
tion 276(e)(2) of the Clean Air Act for that make
and model year, and

— (ii) increases the amount of the credits.

— (i) in the case of a vehicle to which
paragraph (2)(A) applies, has received a certifi-
cate of conformity under the Clean Air Act and
meets or exceeds the most stringent standard
available for certification under the Clean Air Act
for that make and model year vehicle (other than
a zero emission standard).

For purposes of the preceding sentence, in the
case of any new qualified alternative fuel motor
vehicle which weighs more than 14,000 pounds
and
— (i) is not a new qualified alternative fuel
motor vehicle which weighs more than 14,000
pounds but not more than 26,000 pounds,
— (1) 4 percent in the case of a vehicle to which
paragraph (2)(A) applies,
— (2) in the case of a vehicle which
has a gross vehicle weight rating or more than
8,500 pounds but not more than 14,000 pounds,
and
— (3) 15 percent in the case of a vehicle in ex-
cess of 14,000 pounds,

The amount determined under this subsection
is an amount equal to—

— (1) in the case of a vehicle to which
paragraph (2)(A) applies,
— (2) in the case of a vehicle having a gross vehi-
cle weight rating of more than 8,500 pounds but
not more than 14,000 pounds,
and
— (3) in the case of a vehicle having a gross vehi-
cle weight rating of more than 14,000 pounds but
not more than 26,000 pounds.

(4) NEW QUALIFIED ALTERNATIVE FUEL
MOTOR VEHICLE.—For purposes of this sub-
section—

(A) IN GENERAL.—The term ‘‘new qualified
alternative fuel motor vehicle’’ means any motor
vehicle which

— (i) is only capable of operating on an
alternative fuel,

— (ii) the original use of which commences
with the taxpayer,

— (iii) which is acquired by the taxpayer
for use or lease, but not for resale, and

— (iv) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is made by a manufacturer,
— (B) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (C) which is made by a manufacturer.

(5) CREDIT FOR MIXED-FUEL VEHICLES.—
(A) IN GENERAL.—In the case of a mixed-fuel
vehicle placed in service by the taxpayer dur-

— (i) in the case of a vehicle to which
paragraph (2)(A) applies, has received a certifi-
cate of conformity under the Clean Air Act and
meets or exceeds the most stringent standard
available for certification under the Clean Air Act
for that make and model year vehicle (other than
a zero emission standard).

For purposes of the preceding sentence, in the
case of any new qualified alternative fuel motor
vehicle which weighs more than 14,000 pounds
and
— (i) is not a new qualified alternative fuel
motor vehicle which weighs more than 14,000
pounds but not more than 26,000 pounds,
— (1) 4 percent in the case of a vehicle to which
paragraph (2)(A) applies,
— (2) in the case of a vehicle which
has a gross vehicle weight rating or more than
8,500 pounds but not more than 14,000 pounds,
and
— (3) 15 percent in the case of a vehicle in ex-
cess of 14,000 pounds,

in class—

— (i) which draws propulsion energy from on-
board sources of stored energy which are both—

— (I) an internal combustion or heat engine
using consumable fuel, and

— (ii) which is a vehicle to which
paragraph (2)(A) applies, has received a certifi-
cate of conformity under the Clean Air Act and
meets or exceeds the equivalent qualifying Califor-
nia low emission vehicle standard under sec-
tion 276(e)(2) of the Clean Air Act for that make
and model year, and

— (i) in the case of a vehicle to which
paragraph (2)(A) applies,
— (ii) in the case of a vehicle having a gross vehi-
cle weight rating of more than 8,500 pounds but
not more than 14,000 pounds,
and
— (iii) in the case of a vehicle having a gross vehi-
cle weight rating of more than 14,000 pounds but
not more than 26,000 pounds,

— (1) which is acquired by the taxpayer
for use or lease, but not for resale, and

— (2) which is made by a manufacturer.

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.

For purposes of this subsection—

— (A) which is acquired by the taxpayer
for use or lease, but not for resale, and
— (B) which is made by a manufacturer.
(i) is certified by the manufacturer as being able to perform efficiently in normal operation on a combination of an alternative fuel and a petroleum-based fuel.

(ii) has received a certificate of conformity under the Clean Air Act, or

(iii) meets or exceeds the low emission vehicle standards established under section 88.105 of title 49, Code of Federal Regulations, for that make and model year vehicle.

The term ‘qualified vehicle’ means a motor vehicle which operates using at least 75 percent alternative fuel and not more than 25 percent petroleum-based fuel.

(D) 90/10 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘90/10 mixed-fuel vehicle’ means a mixed-fuel vehicle which operates using at least 90 percent alternative fuel and not more than 10 percent petroleum-based fuel.

(E) LIMITATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED CLEAN-BURN TECHNOLOGY MOTOR VEHICLES ELIGIBLE FOR CREDIT.—(1) IN GENERAL.—(A) the applicable provisions of the Clean Air Act for the applicable make and model year of the vehicle (or applicable air quality provisions of State law in the case of a State which has adopted such provision under a waiver under section 179(i)(2) of title 40, Code of Federal Regulations, for that make and model year vehicle).

(2) CITY FUEL ECONOMY.—The city fuel economy with respect to any vehicle shall be measured in a manner which is substantially similar to the manner city fuel economy is measured in accordance with procedures under part 1060 of subchapter Q of part 40, Code of Federal Regulations, as in effect on the date of the enactment of this section.

(3) OTHER DEFINITIONS.—For purposes of this subsection, the term ‘automobile’, ‘passenger automobile’, ‘medium duty passenger vehicle’, ‘light truck’, and ‘motorcycle’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

(4) REDUCTION IN BASIS.—For purposes of this subsection, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed (determined without regard to subsection (g)).

(5) NO DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter—

(A) for any incremental cost taken into account in computing the amount of the credit determined under subsection (c) shall be reduced by the amount of such credit attributable to such cost, and

(B) with respect to a vehicle described under subsection (b) or (c), shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

(6) PROPERTY USED BY TAX-EXEMPT ENTITIES.—In the case of a vehicle whose use is described in paragraph (3) or (4) of section 50(b) or which is not subject to a lease, the person who sold such vehicle to the person or entity using such vehicle shall be treated as the taxpayer that placed such vehicle in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such vehicle (determined without regard to subsection (g)).

(7) PROPERTY USED OUTSIDE UNITED STATES, ETC.—No credit shall be allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

(8) ELECTRICAL PROPERTY.—No credit shall be allowed under subsection (a) for any property which is not an electric motor vehicle.

(9) CREDIT ALLOWED ON ELECTRIC VEHICLES.—(A) Credit allowed on electric vehicles.—For purposes of this subsection, the term ‘qualified vehicle’ means any new qualified hybrid motor vehicle (as described in subsection (d)(2)(A) and any new advanced clean-burn technology motor vehicle.

(B) CREDIT ALLOWED ON ELECTRICALLY POWERED VEHICLES.—No credit shall be allowed under subsection (a) for any property which is not an electric vehicle.

(C) CREDIT ALLOWED ON ELECTRIC Hybrid VEHICLES.—For purposes of this subsection, the term ‘qualified vehicle’ means a hybrid vehicle 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 treated as a credit vehicle under section 30(b) for such taxable year (and not allowed under subsection (a)).

(D) CREDIT ALLOWED ON ELECTRICALLY POWERED VEHICLES.—The credit allowed under subsection (a) (after the application of paragraph (1)) for any taxable year shall not exceed the excess (if any) of—

(A) the tentative minimum tax for the taxable year.

(B) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) MOTION PICTURE.—In this section—

(i) the term ‘motion picture’ (where it is not defined elsewhere) has the meaning given such term by section 179B(a), and (ii) the term ‘motion picture’ (where it is not defined elsewhere) has the meaning given such term by section 179B(d), but only with respect to any fuel—

SEC. 1342. CREDIT FOR INSTALLATION OF ALTERNATIVE FUEL MOTOR VEHICLES AT REFUELING STATIONS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to other credits), as amended by this Act, is amended by adding at the end the following new section—

SEC. 30C. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service during the taxable year.

(b) LIMITATION.—The credit allowed under subsection (a) with respect to any alternative fuel vehicle refueling property shall not exceed—

(1) $30,000 in the case of a property of a character subject to an allowance for depreciation, and

(2) $2,000 in any other case.

SEC. 30C. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service during the taxable year.
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“(A) at least 85 percent of the volume of which consists of 1 or more of the following: ethan-
ol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, or hy-
droxides;

“(B) any mixture of biodiesel (as defined in section 40A(d)(1)) and diesel fuel (as defined in section 4081(a)(3)), determined without regard to any use of kerosene and containing at least 20 percent biodiesel.

“(2) RESIDENTIAL PROPERTY.—In the case of any property installed on property which is used as the principal residence (within the meaning of section 121) of the taxpayer, para-
graph (1) of section 179A(d) shall not apply.

“(d) 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.—The credit allowed under subsection (a) (after the application of paragraph (1)) for any taxable year shall not exceed the excess (if any) of—

“(A) the regular tax reduced by the sum of the credits allowable under subsection A and sections 27, 30, and 30B; and

“(B) the tentative minimum tax for the taxable

year.

“(e) SPECIAL RULES.—For purposes of this section—

“(1) BASIS REDUCTION.—The basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

“(2) PROPERTY USED BY TAX-EXEMPT ENTITIES.—In the case of any qualified alternative fuel vehicle refueling property the use of which is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease, the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such property (determined without regard to subsection (d)).

“(3) PROPERTY USED OUTSIDE UNITED STATES.—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) ELECTRONIC NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

“(5) RECAPTURE RULES.—Rules similar to the rules of section 179A(c)(4) shall apply.

“(f) REGULATIONS.—The Secretary shall pres-

scribe regulations as necessary to carry out the provisions of this section.

“(g) TERMINATION.—This section shall not apply to any property placed in service—

“(1) in the case of a property relating to housing provided for residents of a qualified low-income rural area;

“(2) in the case of any other property, after December 31, 2014.

“(h) CONFORMING AMENDMENTS.—

“(1) Section 38(b), as amended by this Act, is amended by striking “plus” at the end of para-
graph (2), by striking the period at the end of paragraph (25) and inserting “,” and “,” and by adding at the end the following new paragraph:

“(20) the portion of the alternative fuel vehi-
cle property credit to which section 30(d)(1) applies.”

“(2) Section 164(a), as amended by this Act, is amended by striking “and” at the end of para-
graph (24), by striking the period at the end of paragraph (25) and inserting “,” and “,” and by adding at the end the following new paragraph:

“(20) the portion of the alternative fuel vehi-
cle property credit to which section 30(d)(1) applies.”

“(1) Section 55(c)(2), as amended by this Act, is amended—

“(A) by inserting “30C(d)(2),” after “30B(g)(2),” and

“(B) by inserting in paragraph (5) of section 4062(m) by inserting “30C(e)(5),” after “30B(h)(5),” and

“(3) The table of subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property

30C. Clean-fuel vehicle refueling property—

(A) R EGULAR TAX RATE.—The term ‘regular tax rate’ means the aggregate rate of tax im-
posed by section 4081 at the regular tax rate

(B) I NCENTIVE TAX RATE.—The term ‘incentive tax rate’ means the aggregate rate of tax im-
posed by section 4081 at the regular tax rate

(C) LIMITATION.—The term ‘qualified agri-biodiesel producer credit’ means the aggregate rate of tax imposed by section 4081 at the regular tax rate

(E) DEFINITIONS.—For purposes of paragraphs

(1)—

“(A) REGULAR TAX RATE.—The term ‘regular tax rate’ means the aggregate rate of tax im-
posed by section 4081 determined without regard to subsection (d)(2).

“(B) INCENTIVE TAX RATE.—The term ‘incentive tax rate’ means the aggregate rate of tax im-
posed by section 4081 determined with regard to subsection (d)(2).

“(2) LATER SEPARATION OF FUEL.—Section 4081 (relating to the definition of ‘agri-
biodiesel’ and the related computational provisions) is amended—

“(A) in the case of a partner-
ship, trust, S corporation, or other pass-
through entity, the limitations contained in subsection (c) shall apply at the entity level and at the partner or similar level.

“(f) E LIGIBLE SMALL AGRI-BIODIESEL PRODUCER CREDIT.—The term ‘eligible small agri-biodiesel producer’ means a person who, at all times during the taxable year, has a productive capacity for agri-biodiesel not in excess of 60,000,000 gal-
loans.

“(2) AGGREGATION RULE.—For purposes of the 15,000,000,000 gallon limitation under subsection (b)(5)(C) and the 60,000,000 gallon limitation under paragraph (1), all members of the same controlled group of corporations (within the meaning of section 267(f)) and all persons under common control (within the meaning of section 52(b) but determined by treating an interest of more than 50 percent as a controlling interest) shall be treated as 1 person.
(4) ALLOCATION.—For purposes of this subsection, in the case of a facility in which more than 1 person has an interest, productive capacity shall be allocated among such persons in such a manner as provided for in subsection (a)(2) from directly or indirectly benefiting any person with a direct or indirect productive capacity of more than 60,000,000 gallons of agri-biodiesel during the taxable year, or

(4) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary.

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

Sec. 1346. RENEWABLE DIESEL.

(a) IN GENERAL.—Sec. 40(a) (relating to biodiesel) is amended by striking “biodiesel used as fuel” and inserting “fuel used as fuel”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after the date of the enactment of this Act.

Sec. 1347. MODIFICATION OF SMALL ETHANOL PRODUCER CREDIT.

(a) IN GENERAL.—Section 41(a) (relating to credit for fuel used as fuel) is amended by striking “50 percent” and inserting “45 percent”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after the date of the enactment of this Act.

Sec. 1348. SUNSET OF DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN RESEARCH EXPENSES PAID TO SMALL BUSINESSES, UNIVERSITIES, AND FEDERAL LABORATORIES.

(a) IN GENERAL.—Section 41(b)(3) (relating to contract research expenses paid to small businesses, universities, and federal laboratories) is amended by striking “20 percent” and inserting “10 percent”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after the date of the enactment of this Act.
(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 1353. NATIONAL ACADEMY OF SCIENCES STUDY AND REPORT.  
(a) STUDY.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study to define and evaluate the health, environmental, and infrastructural external costs and benefits associated with the production and consumption of energy that are not or may not be fully incorporated into the market price of such energy, or into the Federal tax or fee or other applicable revenue measure related to such production or consumption.  
(b) REPORT.—Not later than 2 years after the date on which the agreement under subsection (a) is entered into, the National Academy of Sciences shall submit to Congress a report on the study conducted under subsection (a).

SEC. 1355. RECYCLING STUDY.  
(a) STUDY.—The Secretary of the Treasury, in consultation with the Secretary of Energy, shall conduct a study to determine and quantify the energy savings achieved through the recycling of glass, paper, plastic, steel, aluminum, and electronic devices and to identify tax incentives which would encourage recycling of such material.  
(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Treasury shall submit to Congress a report on the study conducted under subsection (a).

Subtitle F—Revenue Raising Provisions  
SEC. 1361. OIL SPILL LIABILITY TRUST FUND FINANCING RATE.  
Section 4611(i) (relating to application of oil spill liability trust fund financing rate) is amended to read as follows:—

"(i) APPLICATION OF OIL SPILL LIABILITY TRUST FUND FINANCING RATE.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the Oil Spill Liability Trust Fund financing rate under subsection (c) shall apply on and after April 1, 2006, or if later, the date which is 30 days after the last day of any calendar quarter for which the Secretary estimates that, as of the close of that quarter, the unobligated balance in the Oil Spill Liability Trust Fund is less than $2,000,000,000.

"(2) FUND BALANCE.—The Oil Spill Liability Trust Fund financing rate shall not apply during a calendar quarter if the Secretary estimates that, as of the close of the preceding calendar quarter, the unobligated balance in the Oil Spill Liability Trust Fund exceeds $2,700,000,000.

"(3) TERMINATION.—The Oil Spill Liability Trust Fund financing rate shall not apply after December 31, 2014."

SEC. 1362. EXTENSION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.  
(a) IN GENERAL.—Paragraph (3) of section 4001(d) (relating to Leaking Underground Storage Tank Trust Fund financing rate) is amended by striking “2005” and inserting “2011”.  
(b) NO EXEMPTIONS FROM TAX EXCEPT FOR EXPORTS.  
(1) IN GENERAL.—Section 4028(a) (relating to exemptions for diesel fuel and kerosene) is amended by inserting “(other than such tax at the Leaking Underground Storage Tank Trust Fund financed in any case other than for export)” after “section 4081”.  
(2) AMENDMENTS RELATING TO SECTION 4041.—  
(A) IN GENERAL.—Sections 4041(b)(1)(A), (b)(2)(A), (b)(3)(A), (c)(2) of section 4041 are each amended by inserting “(other than such tax at the Leaking Underground Storage Tank Trust Fund financed in any case other than for export)” after “section 4081”.

(B) Section 4041(b)(1)(A) is amended by striking “or (d)(1))”.  
(C) Section 4041(d) is amended by adding at the end the following new paragraph:

“(5) NONAPPLICATION OF EXEMPTIONS OTHER THAN FOR EXPORTS.—For purposes of this section, the tax imposed under this subsection shall be determined without regard to subsections (i), (g) (other than with respect to any sale for export under paragraph (3) thereof), (h), and (l).”

(D) NO REFUND.—(A) IN GENERAL.—Subchapter B of chapter 65 is amended by adding at the end the following new section:

"SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.

No refunds, credits, or payments shall be made under this subsection for any tax imposed at the Leaking Underground Storage Tank Trust Fund financing rate, except in the case of fuels destined for export.”.

(B) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:—

"SEC. 6430. Treatment of tax imposed at Leaking Underground Storage Tank Trust Fund financing rate.”.

(C) CERTAIN REFUNDS AND CREDITS NOT CHARGED AGAINST ESTATE.—Subsection (c) of section 9508 (relating to Leaking Underground Storage Tank Trust Fund) is amended to read as follows:

"(c) EXPENDITURES.—Amounts in the Leaking Underground Storage Tank Trust Fund shall be available, as provided in appropriation Acts, only for purposes of making expenditures to carry out section 9508(c)(1) of the Solid Waste Disposal Act as in effect on the date of the enactment of the Superfund Amendments and Reauthorization Act of 1986.”.

(D) EFFECTIVE DATE.—(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 2005.

(2) NO EXEMPTION.—The amendments made by subsection (b) shall apply to fuel entered, removed, or sold after September 30, 2005.

SEC. 1363. MODIFICATION OF RECAPTURE RULES FOR AMORTIZABLE SECTION 197 INTANGIBLES.  
(a) IN GENERAL.—Subsection (b) of section 1245 (relating to amortization of certain intangibles) is amended by adding at the end the following new paragraph:

"(9) DISPOSITION OF AMORTIZABLE SECTION 197 INTANGIBLES.—

"(A) IN GENERAL.—If a taxpayer disposes of more than 1 amortizable section 197 intangible (as defined in section 197(c)) in a transaction or a series of related transactions, all such amortizable intangibles shall be treated as 1 section 1245 property for purposes of this section.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to the disposition of an amortizable intangible (as so defined) with respect to which the adjusted basis exceeds the fair market value.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions of property after the date of the enactment of this Act.

SEC. 1364. CLARIFICATION OF TIRE EXCISE TAX.  
(a) IN GENERAL.—Section 4042(c) (defining ‘super single tire’) is amended by adding at the end the following new paragraph:

"(d) TIRE EXCISE TAX.—(1) In general.—The Secretary shall conduct a study to determine the weight of the scientific evidence concerning the relationship between tire type and the safety of tires.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2005.

TITLE XIV—MISCELLANEOUS  
Subtitle A—In General  
SEC. 1401. SENSE OF CONGRESS ON RISK ASSESSMENTS.  
(a) IN GENERAL.—A State may apply to any entity—

(1) credit against any tax or fee owed to the State under a State law, or

(2) any other tax incentive, determined by the State to be appropriate, in the amount calculated under and in accordance with a formula determined by the State, for production described in subsection (b) in the State by the entity that receives such credit or such incentive.

(b) ELIGIBLE ENTITIES.—Subsection (a) shall apply with respect to the production in the State of electricity from coal mined in the State and used in a facility, if such production meets all applicable Federal and State laws, and if such facility uses scrubbers or other forms of clean coal technology.

(c) EFFECT ON INTERSTATE COMMERCE.—Any action taken by a State in accordance with this section with respect to a tax or tax payable, or incentive applicable, for any period beginning after the date of the enactment of this Act shall not be considered to be a reasonable regulation of commerce; and

(2) not be considered to impose an undue burden that creates, or tends to create, regulation or taxation of interstate commerce.

SEC. 1403. REGULATION OF CERTAIN OIL USED IN TRANSPORTATION.  
Notwithstanding any other provision of law, or rule promulgated by the Environmental Protection Agency, vegetable oil made from soybeans and used in electric transformers as thermal insulation shall not be regulated as an oil identified under section 2(a)(1)(B) of the Edible Oil Regulatory Reform Act (31 U.S.C. 2720(a)(1)(B)).

SEC. 1404. PETROCHEMICAL AND OIL REFINERY FACILITY HEALTH ASSESSMENT.  
(a) ESTABLISHMENT.—The Secretary shall conduct a study of direct and significant health impacts to persons residing or working in proximity to petrochemical and oil refinery facilities.  
(b) EFFECTIVE DATE.—The study shall be conducted according to sound and objective scientific practices and present the weight of the scientific evidence.  
(c) DETERMINATION OF OIL REFINERY FACILITY.—The Secretary shall submit scientific peer review of the draft study.
(b) REPORT TO CONGRESS.—The Secretary shall transmit the results of the study to Congress within 6 months of the enactment of this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for activities under this section such sums as are necessary for the completion of the study.

SEC. 1405. NATIONAL PRIORITY PROJECT DESIGNATION.

(a) DESIGNATION OF NATIONAL PRIORITY PROJECTS.—

(1) IN GENERAL.—There is established the National Priority Project Designation (referred to in this section as the "Designation"), which shall be evidenced by a medal bearing the inscription "National Priority Project".

(2) DESIGN AND MATERIALS.—The medal shall be of such design and materials and bear such additional inscriptions as the President may prescribe.

(b) MAKING AND PRESENTATION OF DESIGNATION.—

(1) IN GENERAL.—The President, on the basis of recommendations made by the Secretary, shall annually designate organizations that have—

(A) advanced the field of renewable energy technology and contributed to North American energy security, and

(B) been certified by the Secretary under subsection (e).

(2) PRESENTATION.—The President shall designate projects with such ceremonies as the President may prescribe.

(3) USE OF DESIGNATION.—An organization that receives a Designation under this section may publicize the Designation of the organization as a National Priority Project in advertising.

(c) SELECTION CRITERIA.—

(1) IN GENERAL.—Certification and selection of the projects to receive the Designation shall be based on criteria established under this subsection.

(2) WIND, BIOMASS, AND BUILDING PROJECTS.—In the case of wind, biomass, or building project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(3) SOLAR PHOTOVOLTAIC AND FUEL CELL PROJECTS.—In the case of a solar photovoltaic or fuel cell project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(d) ENERGY EFFICIENT BUILDING AND RENEWABLE ENERGY PROJECTS.—In the case of an energy efficient building or renewable energy project, the project shall demonstrate that the project will meet the criteria established under subsection (2), and

(e) ENERGY EFFICIENT BUILDING AND RENEWABLE ENERGY PROJECTS.—In the case of an energy efficient building or renewable energy project, the project shall meet the criteria established under paragraph (2), and

(f) ENERGY EFFICIENT BUILDING AND RENEWABLE ENERGY PROJECTS.—In the case of an energy efficient building or renewable energy project, the project shall meet the criteria established under paragraph (2).

SEC. 1406. COLD CRACKING.

(a) STUDY.—The Secretary shall conduct a study of the application of radiation to petroleum at standard temperature and pressure to refine petroleum products, whose objective shall be to increase the economic yield from each barrel of oil.

(b) GOALS.—The goals of the study shall include—

(1) increasing the value of our current oil supply;

(2) reducing the capital investment cost for cracking oil;

(3) reducing the operating energy cost for cracking oil; and

(4) reducing sulfur content using an environmentally responsible method.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this study $200,000 for fiscal year 2006.

SEC. 1407. OXYGEN-FUEL.

(a) PROGRAM.—The Secretary shall establish a program on oxygen-fuel systems. If feasible, the program shall include renovation of at least one existing large unit and one existing small unit, and construction of one new large unit and one new small unit.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary—

(1) $100,000,000 for fiscal year 2006;

(2) $100,000,000 for fiscal year 2007; and

(3) $100,000,000 for fiscal year 2008.

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

(1) the term "large unit" means a unit with a generating capacity of three megawatts or more; and

(2) the term "oxygen-fuel systems" means systems that utilize fuel efficiency benefits of oil, gas, coal, and biomass combustion using substantially pure oxygen, with high flame temperatures and the exclusion of air from the boiler, in industrial or electric utility steam generator units and.

Sec. 1422. Purpose.

The purpose of this subtitle is to establish a United States commission to make recommendations for a coordinated and comprehensive North American energy policy that will achieve energy self-sufficiency for the United States by 2025.

The purposes of the subtitle are to—

(1) establish the United States Commission on North American Energy Freedom (in this subtitle referred to as the "Commission");

(2) establish a Federal Advisory Committee (in this subtitle referred to as the "Committee");

(3) authorize the Secretary of Energy to designate personnel of the Department to work with the Commission in carrying out the purposes of the subtitle; and

(4) appropriate such sums as are necessary to carry out the purposes of the subtitle.


(a) Establishment.—There is hereby established the United States Commission on North American Energy Freedom (in this subtitle referred to as the "Commission"). The Federal Advisory Committee Act (5 U.S.C. App., except sections 3, 7, and 12, does not apply to the Commission.

(b) Membership.—

(1) Appointment.—The Commission shall be composed of 16 members appointed by the President from among individuals described in paragraph (2) who are knowledgeable on energy issues, including oil and gas exploration and production, crude oil refining, oil and gas pipelines, electricity production and transmission, coal, unconventional hydrocarbon resources, fuel cells, motor vehicle power systems, nuclear energy, renewable energy, energy efficiency, and energy conservation. The membership of the Commission shall be balanced by area of expertise to the extent consistent with maintaining the highest level of expertise on the Commission.

(2) Nominations.—The President shall appoint members of the Commission within 60 days after the effective date of this Act, including individuals nominated as follows:

(A) Four members shall be appointed from among individuals described in paragraph (1) who are knowledgeable on energy issues, including oil and gas exploration and production, crude oil refining, oil and gas pipelines, electricity production and transmission, coal, unconventional hydrocarbon resources, fuel cells, motor vehicle power systems, nuclear energy, renewable energy, energy efficiency, and energy conservation.

(3) Omissions.—The President shall appoint members of the Commission from among individuals described in paragraph (1) who are knowledgeable on energy issues, including oil and gas exploration and production, crude oil refining, oil and gas pipelines, electricity production and transmission, coal, unconventional hydrocarbon resources, fuel cells, motor vehicle power systems, nuclear energy, renewable energy, energy efficiency, and energy conservation, and so appointed.

(4) Terms.—The President shall ensure that the members of the Commission appoint members of the Commission.

(5) Removal.—The President shall be the removal of the President from the Commission.

(6) Compensation.—The members of the Commission shall receive their compensation for services as members of the Commission from any funds available to carry out the purposes of the Commission.

(7) Meetings.—The meetings of the Commission shall be open to the public and shall be conducted in accordance with the Federal Advisory Committee Act (5 U.S.C. App., except sections 3, 7, and 12).

(c) Authorization of Appropriations.—There are authorized to be appropriated $1,500,000 for the fiscal year ending September 30, 1987, to defray the expenses of the United States Commission on North American Energy Freedom.
(4) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner as the original incumbent was appointed.

(c) RESOURCES.—In carrying out its functions under this chapter, the Commission shall be available to assist the Administrator in performing the duties and responsibilities of the Administrator, to the extent that such assistance is permitted by law, including furnishing such information (other than information determined to be exempt from disclosure under section 552 of title 5, United States Code) to the Commission, upon the request of the Commission;

(2) may enter into contracts, subject to the availability of appropriations for contracting, and employ such staff experts and consultants as may be necessary to carry out the duties of the Commission, as provided by section 3109 of title 5, United States Code; and

(3) shall establish a multidisciplinary science and technical advisory panel of experts in the field of energy to assist the Commission in preparing its report, including ensuring that the scientific and technical information considered by the Commission is based on the best scientific and technical information available.

(d) STAFFING.—The chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other administrative personnel as may be necessary for the Commission to perform its duties. The executive director shall be compensated at a rate not to exceed the rate payable for Level IV of the Executive Schedule under chapter 5316 of title 5, United States Code. The chairman shall select staff from among qualified citizens of Canada, Mexico, and the United States of America.

(e) MEETINGS.—

(1) ADMINISTRATION.—All meetings of the Commission shall be open to the public, except that parts of meetings may be closed to the public if the Commission determines that the public利益 would be served by such closure.

(2) minutes.—Public availability of documents.

(A) Notice.—All open meetings of the Commission shall be preceded by timely public notice in the Federal Register of the time, place, and subject of the meeting.

(B) minutes.—Minutes of each meeting shall be kept and shall contain a record of the people present, a description of the discussion that occurred, and copies of all statements filed. Subject to section 352 of title 5, United States Code, the minutes and records of all meetings and other documents that were made available to or prepared for the Commission shall be available for public inspection and copying at a single location in the offices of the Commission.

(3) INITIAL MEETING.—The Commission shall hold its first meeting within 30 days after all 16 members are appointed.

(f) REPORT.—Within 12 months after the effective date of this Act, the Commission shall submit to the President a final report of its findings and recommendations regarding North American energy freedom.

(g) ADMINISTRATIVE PROCEDURE FOR REPORT AND RULEMAKING.—Sections 5 and 7 of title 5, United States Code, do not apply to the preparation, review, or submission of the report required by subsection (f).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for this chapter a total of $10,000,000 for the 2 fiscal-year period beginning with fiscal year 2005, such sums to remain available until expended.

SEC. 1424. NORTH AMERICAN ENERGY FREEDOM POLICY.

Within 90 days after receiving and considering the report and recommendations of the Commission under section 1423, the President shall submit to Congress a statement of proposals to implementing the recommendations of the Commission’s recommendations for a coordinated, comprehensive, and long-range national policy to achieve North American energy freedom by 2025.

TITLE XV—ETHANOL AND MOTOR FUELS

Subtitle A—Ethanol and Motor Fuels

SEC. 1501. RENEWABLE CONTENT OF GASOLINE.

(a) IN GENERAL.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (o) as subsection (p); and

(2) by inserting after subsection (o) the following:

"(q) RENEWABLE FUEL PROGRAM.—

(1) DEFINITIONS.—In this section:

(A) CELLULOSIC BIOMASS ETHANOL.—The term ‘‘cellulosic biomass ethanol’’ means ethanol derived from any lignocellulosic or non-starch or non-sugar sugar-based feedstock, including that produced on a renewable or recurring basis, including—

(i) dedicated energy crops and trees;

(ii) wood and wood residues;

(iii) paper and pulping residues;

(iv) food-processing residue;

(v) sugarcane bagasse;

(vi) sugarcane molasses;

(vii) energy crops;

(viii) municipal solid waste.

The term also includes any ethanol produced in facilities where animal wastes or other waste materials are digested or otherwise used to displace 20 percent or more of the fossil fuel normally used in the production of ethanol.

(B) WASTE DERIVED ETHANOL.—The term ‘‘waste derived ethanol’’ means ethanol derived from—

(I) animal wastes, including poultry fats and feathers, and other organic materials; or

(II) municipal solid waste.

The term also includes any ethanol produced in facilities where animal wastes or other waste materials are digested or otherwise used to displace 20 percent or more of the fossil fuel normally used in the production of ethanol.

(C) RENEWABLE FUEL.—The term ‘‘renewable fuel’’ means motor vehicle fuel that—

(i) is produced from grain, starch, oils, seeds, vegetable, animal, or fish materials including fats, greases, and oils; sugar beets, sugar components, tobacco, potatoes, or other biomass; or

(ii) is natural gas produced from a biogas source, including a landfill, sewage waste treatment plant, feedlot, or other place where decay is occurring.

The term includes—

(x) any other material or feedstock that the Administrator determines to be a renewable fuel.

(2) REQUIREMENTS.—The Administrator shall promulgate regulations to ensure that gasoline sold or introduced into commerce in the United States (except in non-contiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with subparagraph (B).

(i) NONCONTIGUOUS STATE OPT-IN.—

(ii) IN GENERAL.—On the petition of a non-contiguous State or territory, the Administrator may allow the renewable fuel program established under this subsection to apply in the non-contiguous State or territory at the time or any time after the Administrator promulgates regulations under this subparagraph.

(ii) OTHER ACTIONS.—In carrying out this clause, the Administrator may—

(aa) issue or revise regulations under this paragraph;

(bb) establish applicable percentages under paragraph (3); and

(cc) take such other actions as are necessary to allow for the application of the renewable fuels program in a noncontiguous State or territory.

(iii) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under clause (i) may—

(I) contain compliance provisions applicable to refineries, blenders, distributors, and importers as appropriate, to ensure that the requirements of this paragraph are met; but

(II) shall not—

(aa) restrict geographic areas in which renewable fuel may be used; or

(bb) impose any per-gallon obligation for the use of renewable fuel.

(iv) REQUIREMENT IN CASE OF FAILURE TO PROMULGATE REGULATIONS.—If the Administrator does not promulgate regulations under clause (i), the percentage of renewable fuel in gasoline sold or dispensed to consumers in the United States, on a volume basis, shall be 2.78 percent for calendar year 2006.

(B) APPLICABLE VOLUME.—

(1) CALENDAR YEARS 2006 THROUGH 2012.—For the purpose of subparagraph (A), the applicable volume for any calendar year 2006 through 2012 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Renewable fuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>0.9</td>
</tr>
<tr>
<td>2007</td>
<td>1.1</td>
</tr>
<tr>
<td>2008</td>
<td>1.3</td>
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<tr>
<td>2009</td>
<td>1.5</td>
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<tr>
<td>2010</td>
<td>1.7</td>
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<tr>
<td>2011</td>
<td>1.8</td>
</tr>
<tr>
<td>2012</td>
<td>2.0</td>
</tr>
</tbody>
</table>
| (ii) CALENDAR YEARS 2013 AND THEREAFTER.—Subject to clauses (iii) and (iv), for the purposes of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be determined by the Administrator, in coordination with the Secretary of Agriculture and the Secretary of Energy, based on a review of the implementation of the program during calendar years 2006 through 2012, including a review of—

(I) the impact of the use of renewable fuels on the environment, air quality, energy security, job creation, and rural economic development; and

(ii) the expected annual rate of future production of renewable fuels, including cellulosic ethanol.

(iii) MINIMUM QUANTITY DERIVED FROM CELLULOSIC BIOMASS.—For calendar year 2013 and each calendar year thereafter:

(1) the applicable volume referred to in clause (ii) shall contain a minimum of 250,000,000 gallons that are derived from cellulosic biomass.

(ii) the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.

ensure that gasoline sold or introduced into commerce in the United States (except in non-contiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with subparagraph (B).

(‘‘ii’’) NONCONTIGUOUS STATE OPT-IN.—

(‘‘iii’’) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under clause (i) may—

(‘‘iv’’) REQUIREMENT IN CASE OF FAILURE TO PROMULGATE REGULATIONS.—If the Administrator does not promulgate regulations under clause (i), the percentage of renewable fuel in gasoline sold or dispensed to consumers in the United States, on a volume basis, shall be 2.78 percent for calendar year 2006.

(‘‘v’’) APPLICABLE VOLUME.—

(‘‘vi’’) CALENDAR YEARS 2006 THROUGH 2012.—For the purpose of subparagraph (A), the applicable volume for any calendar year 2006 through 2012 shall be determined in accordance with the following table:

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</tr>
</tbody>
</table>
| (ii) CALENDAR YEARS 2013 AND THEREAFTER.—Subject to clauses (iii) and (iv), for the purposes of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be determined by the Administrator, in coordination with the Secretary of Agriculture and the Secretary of Energy, based on a review of the implementation of the program during calendar years 2006 through 2012, including a review of—

(‘‘vii’’) the impact of the use of renewable fuels on the environment, air quality, energy security, job creation, and rural economic development; and

(‘‘viii’’) the expected annual rate of future production of renewable fuels, including cellulosic ethanol.

(‘‘ix’’) MINIMUM QUANTITY DERIVED FROM CELLULOSIC BIOMASS.—For calendar year 2013 and each calendar year thereafter:

(‘‘x’’) the applicable volume referred to in clause (ii) shall contain a minimum of 250,000,000 gallons that are derived from cellulosic biomass.

(‘‘xi’’) the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.
"(iv) Minimum Applicable Volume.—For the purpose of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be equal to the product obtained by multiplying the number of gallons of gasoline sold or introduced into commerce in the previous calendar year by 90 percent.

"(v) Actual Volume.—For the purpose of subparagraph (B)(1)(A), the actual volume for calendar year 2013 and each calendar year thereafter shall be determined by subtracting the sum of the amounts of gasoline sold or introduced into commerce in any previous calendar year from the applicable volume for that calendar year.

"(vi) Effect.—Paragraph (v) shall not apply to any period after December 31, 2013, and shall not apply to the 2014 calendar year.

"(B) Application.—

"(i) In general.—For purposes of paragraphs (1)(A) and (2), the Administrator shall apply the requirements established under subparagraph (A) to gasoline supplies that are introduced into commerce in the United States; or

"(ii) Exemption.—The Administrator shall grant an exemption from the requirements established under subparagraph (A) to any person that demonstrates that such requirements would severely harm the economy or environment.

"(C) Regulations.—

"(i) In general.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(ii) Exempt categories.—The Administrator shall exempt from the requirements established under subparagraph (A) the volume of motor fuels that are consumed in any calendar year by:

"(I) refineries, blenders, and importers; and

"(II) persons that are exempt from the requirements established under subparagraph (A) as a result of complying with subparagraph (A).

"(D) Compliance.—

"(i) In general.—For purposes of paragraph (2), the Administrator shall conduct a study to determine whether compliance with the requirements established under subparagraph (A) would result in a price increase of more than 5 cents per gallon for motor fuels.

"(ii) Compliance with paragraph (2).—The Administrator shall promulgate regulations to ensure that the person, in the calendar year following the year in which the renewable fuel deficit is created, achieves compliance with the renewable fuel requirements established under paragraph (2); and

"(iii) Generation of credits.—The Administrator shall provide for the generation of additional renewable fuel credits to offset the renewable fuel deficit of the previous year.

"(E) Extension of Seasonal Variations.—If, for any calendar year, the Administrator determines that the seasonal requirements established under subparagraph (A) would severely harm the economy or environment, the Administrator may at any time petition the Administrator to waive the requirements of paragraph (2) in whole or in part.

"(iv) Effect on waiver authority.—The waiver authority established under subparagraph (A) shall not apply to any period after December 31, 2013, and shall not apply to the 2014 calendar year.

"(B) Provision of Estimate of Volumes of Renewable Fuel.—

"(i) In general.—Not later than November 30 of each calendar year, the Administrator shall prepare an estimate of the volumes of renewable fuel required under paragraphs (2) and (3) for each calendar year from 2006 through 2013.

"(ii) Exemption.—If the Administrator determines that the estimated volume of renewable fuel required for any calendar year cannot be met, the Administrator shall provide for the generation of additional renewable fuel credits to offset the estimated renewable fuel deficit of the previous year.

"(C) Adjustments.—In determining the applicability of the requirements established under paragraph (2), the Administrator shall take into account:

"(I) the number of gallons of gasoline that the Administrator estimates will be sold or introduced into commerce in the calendar year; and

"(II) the number of gallons of gasoline sold or introduced into commerce in the previous calendar year.

"(D) Determination of Applicable Percentages.—

"(i) In general.—Not later than October 31 of each calendar year, the Administrator shall make adjustments to the renewable fuel requirement for each of calendar years 2005 through 2011, that are determined under subparagraph (A) as necessary to meet the requirements of paragraph (2).

"(ii) Determination of equivalent units.—The Administrator shall make adjustments to the renewable fuel obligation determined for a calendar year under clause (i) to ensure that:

"(I) all categories of persons specified in subparagraph (B) are treated equally; and

"(II) the renewable fuel obligation determined for a calendar year under clause (i) is not applicable to any category of renewable fuel.

"(E) Credit Program.—

"(i) In general.—The regulations promulgated under paragraph (2)(A) shall provide for:

"(I) the generation of an appropriate amount of credits by any person that refineries, blends, or imports gasoline that contains a quantity of renewable fuel that is greater than the quantity required under paragraph (2); and

"(II) the generation of additional renewable fuel credits to offset the renewable fuel deficit of the previous year.

"(ii) Duration of credits.—The renewable fuel credits generated under this paragraph shall expire on the date of generation.

"(iii) Effect of credits.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(iv) Disposition of credits.—The Administrator shall provide for the generation of additional renewable fuel credits to offset the renewable fuel deficit of the previous year.

"(v) Credit program.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(vi) Credit program.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(vii) Credit program.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(viii) Credit program.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

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"(xxxix) Credit program.—The Administrator shall promulgate regulations to ensure that 25 percent or more of the volume of motor fuels consumed in any calendar year would be from renewable fuel.

"(x) Assistant Administrator.—

"(i) In general.—Not later than December 31 of each calendar year, the Administrator shall submit to the Secretary of Energy a report on the activities of the Administrator under paragraph (2), including information on:

"(I) the number of gallons of gasoline that the Administrator estimates will be sold or introduced into commerce in the calendar year; and

"(II) the number of gallons of gasoline sold or introduced into commerce in the previous calendar year.

"(ii) Effect.—Paragraph (iv) shall not apply to any period after December 31, 2013, and shall not apply to the 2014 calendar year.

"(2) Exemptions.—The Administrator shall provide for the generation of additional renewable fuel credits to offset the renewable fuel deficit of the previous year.
(5) beginning in the calendar year following the date of notification.

“(D) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of paragraph (4) if the refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A).

“(E) ETHANOL MARKET CONCENTRATION ANALYSIS.—

“(i) ANALYSIS.—

“(1) IN GENERAL.—Not later than 180 days after the date of adoption of this paragraph, and annually thereafter, the Federal Trade Commission shall perform a market concentration analysis of the ethanol production industry using the Hirschman-Herfindahl Index to determine whether there is sufficient competition among industry participants to avoid price-setting and other anticompetitive behavior.

“(2) DETERMINATION OF INSUFFICIENT SUPPLY.—For the purpose of scoring under clause (i) using the Herfindahl-Hirschman Index, all marketing arrangements among industry participants shall be considered.

“(B) REPORT.—Not later than December 1, 2005, and annually thereafter, the Federal Trade Commission shall submit to Congress and the Administrator a report on the results of the market concentration analysis performed under subparagraph (A)(i)."

(b) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(i) by striking paragraph (2);

(ii) by adding at the end the following:

“(2) APPLICABILITY. The Administrator shall promulgate regulations under paragraph (1) to apply, in the case of any other State, beginning on the date of enactment of this Act; and

(iii) in subparagraph (A), by striking clause (ii) and by adding at the end the following:

“(ii) in subparagraph (C), by striking clause (iii) and inserting the following:

“(iii) the Administrator shall act on any petition submitted under subparagraph (A)(i) not later than 180 days after the date of receipt of the petition;"

(i) by striking paragraph (I) and inserting the following:

“(I) IN GENERAL.—Not later than April 1 of each calendar year, the Administrator shall act on any petition submitted under subparagraph (A)(i) and shall promulgate regulations under paragraph (1) applying, in the case of any other State, beginning on the date of enactment of this Act; and

(ii) by adding at the end the following:

“(aa) the quantity of reformulated gasoline produced that is in excess of the average annual quantity of reformulated gasoline produced or distributed by the refinery or importer during calendar years 2001 and 2002 only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refinery or importer during calendar years 2001 and 2002;"

(iii) in subparagraph (A), by striking “in the case of a State that has received a waiver under section 209(b) of the Clean Air Act (42 U.S.C. 7545(b))” and inserting the following:

“(A) in the case of any other State, beginning on the date of enactment of this Act; and

(b) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSION REDUCTIONS.—Section 211(k)(1) of the Clean Air Act (42 U.S.C. 7545(k)(1)) is amended—

(i) by striking “Within 1 year after the enactment of the Clean Air Act Amendments of 1990,” and inserting the following:

“(i) IN GENERAL.—Not later than November 15, 1991,

(ii) by adding at the end the following:

“(B) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSION REDUCTIONS.—

“(i) DEFINITION OF PADD.—In this subparagraph the term ‘PADD’ means a Petroleum Administration for Defense District;

(ii) REGULATIONS CONCERNING EMISSIONS OF TOXIC AIR POLLUTANTS.—Not later than 270 days after the date of enactment of this paragraph, the Administrator shall establish by regulation, for each refinery or importer (other than a refiner or importer in a State that has received a waiver under section 209(b) with respect to gasoline produced or distributed in that State) standards for toxic air pollutants from use of the reformulated gasoline produced or distributed by the refiner or importer that maintain the reduction of the average annual aggregate emissions of toxic air pollutants for reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002.

(c) EXCLUSION FROM ETHANOL WAIVER.—Section 211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is amended—

(i) by redesignating paragraph (5) as paragraph (6); and

(ii) by inserting after paragraph (4) the following:

“(5) EXCLUSION FROM ETHANOL WAIVER.—

“(A) PROHIBITION OF REGULATIONS.—Upon notification, accompanied by supporting documentation, from the Governor of a State that the Reid vapor pressure limitation established by paragraph (3) will increase emissions that contribute to air pollution in any area in the State, the Administrator shall, by regulation, apply, in the case of any other State, beginning on the date of enactment of this Act; and

“(B) systems to deliver MTBE-containing gasoline or ethanol;

“(C) the quantity of reformulated gasoline containing a fuel oxygenate standard established by Public Law 106-549 (commonly known as the ‘Clean Air Act Amendments of 1999’) (42 U.S.C. 7401 et seq.) established a fuel oxygenate standard under which reformulated gasoline must contain at least 2 percent oxygen by weight; and

“(D) the fuel industry responded to the fuel oxygenate standard established by Public Law 101-549 by making substantial investments in—

“(1) MTBE production capacity; and

“(2) systems to deliver MTBE-containing gasoline to the appropriate United States district court.

“(I) IN GENERAL.—With respect to a year for which the Governor submits a notification under subparagraph (A), the regulations under subparagraph (A) shall take effect on the later of—

“(i) the first day of the first high ozone season for the area that begins after the date of receipt of the notification; or

“(ii) 1 year after the date of receipt of the notification.

“(II) EXTENSION OF EFFECTIVE DATE BASED ON DETERMINATION OF INSUFFICIENT SUPPLY.—

“(i) IN GENERAL.—If, after receipt of a notification with respect to an area from a Governor of a State in accordance with paragraph (A), the Administrator determines, on the Administrator’s own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (A) would result in an insufficient supply of gasoline in the State, the Administrator, by regulation—

“(aa) shall extend the effective date of the regulations under clause (i) with respect to the area for not more than 1 year; and

“(bb) may extend item (aa) for 2 additional periods, each of which shall not exceed 1 year.

“(II) DEADLINE FOR ACTION ON PETITIONS.—

“(a) ELIMINATION. The Administrator shall act on any petition submitted under subparagraph (A)(i) not later than 180 days after the date of receipt of the petition.

“(b) SURVEY AND REPORT.—Not later than December 1, 2006, and annually thereafter, the Administrator shall conduct a survey to determine whether there is sufficient competition in the area during the high ozone season. The Administrator shall apply, in the case of any other State, beginning 270 days after the date of enactment of this Act.

“(c) EXCLUSION FROM ETHANOL WAIVER.—

“(i) IN GENERAL.—The Administrator shall promulgate regulations under paragraph (1) with respect to each conventional gasoline use area and each reformed gasoline use area in each State, to survey to determine the market share of—

“(I) conventional gasoline containing ethanol;

“(II) reformed gasoline containing renewable fuel; and

“(III) reformed gasoline containing renewable fuel and ethanol.

“(ii) APPLICABILITY. The Administrator shall promulgate regulations under paragraph (1) to apply, in the case of any other State, beginning on the date of enactment of this Act; and

“(ii) by striking clause (ii) and by adding at the end the following:

“(aa) the quantity of reformulated gasoline produced that is in excess of the average annual quantity of reformulated gasoline produced or distributed by the refinery or importer during calendar years 2001 and 2002 only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refinery or importer during calendar years 2001 and 2002;"

(iii) in subparagraph (A), by striking clause (ii) and by adding at the end the following:

“(aa) the quantity of reformulated gasoline produced that is in excess of the average annual aggregate emissions of toxic air pollutants for reformulated gasoline produced or distributed by the refiner or importer under subparagraph (C) only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refiner or importer under subparagraph (C) only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002;"
quantity of reformulated gasoline produced in 2001 and 2002; and

“(bb) the reduction of the average annual aggregate emissions of toxic air pollutants in each PADD for each calendar year under subclause (I), the Administrator shall promulgate final regulations to control hazardous air pollutants from motor vehicles; or

(ii) such adjustment shall not be made at a level below the average percentage of reductions of emissions of toxic air pollutants for reformulated gasoline supplied to PADD I during calendar years 1999 and 2000; and

(iii) in the case of an adjustment based on toxic air pollutant emissions from reformulated gasoline significantly below the national average aggregate emissions of toxic air pollutants from reformulated gasoline—

(1) the Administrator may revise the adjustment to take account of the scope of the prohibition on methyl tertiary butyl ether imposed by a State; and

(2) any such adjustment shall be based only on calendar years 1999 and 2000, as provided for in section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(b)) is amended—

(1) by striking “may also” and inserting “shall, on a regular basis,”; and

(2) by adding at the end the following:

“(A) to conduct tests to determine potential public health and environmental effects of the fuel or additive (including carcinogenic, teratogenic, or mutagenic effects) and”; and

(b) (i) Not later than 4 years after the date of enactment of this paragraph, the Administrator shall promulgate final regulations to control hazardous air pollutants from motor vehicles and motor vehicle fuels that achieve and maintain greater overall reductions in emissions than the reductions that would be achieved under section 211(k)(1)(B) of the Clean Air Act as amended by this clause, then sections 211(k)(1)(B)(i) through 211(k)(1)(B)(c) shall be null and void and regulations promulgated thereunder shall be rescinded and have no further effect.

(c) CONSOLIDATION IN REFORMULATED GASOLINE REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Administrator shall—

(1) by striking “motor vehicle” from the regulations published under paragraph (1) of section 80.1045 of title 40, Code of Federal Regulations; and

(2) promulgate revisions to the regulations promulgated under clause (ii), to take effect not earlier than 180 days but not later than 270 days after the date of promulgation, to provide for in section 40.1045 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this paragraph), and as authorized under section 203(1) of the Clean Air Act. If the Administrator promulgates by such date, final regulations to control hazardous air pollutants from motor vehicles and motor vehicle fuels that achieve and maintain greater overall reductions in emissions than the reductions that would be achieved under section 211(k)(1)(B) of the Clean Air Act as amended by this clause, then sections 211(k)(1)(B)(i) through 211(k)(1)(B)(c) shall be null and void and regulations promulgated thereunder shall be rescinded and have no further effect.

SEC. 1506. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by inserting after subsection (p) the following:

“(q) ANALYSES OF MOTOR VEHICLE FUEL CHANGES AND EMISSIONS MODEL.—

(I) ANTICIPATION ANALYSIS.—(A) DRAFT ANALYSIS.—Not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Energy Policy Act of 2005.

(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish the final analysis in final form.

(2) EMISSIONS MODEL.—For the purposes of this section, not later than 4 years after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

(3) PERMEATION EFFECTS STUDY.—(A) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle, and the fleet of motor vehicles due to permeation.

SEC. 1507. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

(1) by striking “(b) Areas.” and inserting the following:

“(b) Areas.—(1) ANTI-BACKSLIDING ANALYSIS.—(A) the Administrator shall revise the adjustment in paragraph (5) to any area in the ozone transport region that has not met ozone nonattainment area class in any year after the date of enactment of this paragraph; and

(B) by striking subparagraph (A) and inserting—

(2) by adding at the end the following:

“(C) STUDY ON CERTAIN FUEL ADDITIVES AND BLENDING RATIONALE.—(A) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Administrator shall—

(i) conduct a study on the effects on public health (including the effects on children, pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of the adjustment for methyl tertiary butyl ether in gasoline—

(1) ethyl tertiary butyl ether;

(2) isopropyl tertiary butyl ether;

(3) di-isopropyl ether;

(4) tertiary butyl alcohol;

(5) n-propyl acetate; and

(6) any other compound that is not ethyl tertiary butyl ether.

(B) by adding at the end the following:

“(D) OPT-IN AREAS.—(1) IN GENERAL.—(A) by adding at the end the following:

“(II) alkylates; and

(III) iso-octane; and

(IV) tertiary butyl alcohol;

(2) by adding at the end the following:

“(III) installed vapor recovery systems of a motor vehicle.

(b) (1) (i) Not later than 4 years after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

(C) EVAPORATIVE EMISSIONS.—The study shall include estimates of the increase in total evaporative emissions from reformulated gasoline resulting from the use of gasoline with ethanol content in a motor vehicle and the fleet of motor vehicles due to permeation.

SEC. 1508. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

(1) by striking “(b) Areas.” and inserting the following:

“(b) Areas.—(1) ANTI-BACKSLIDING ANALYSIS.—(A) the Administrator shall revise the adjustment in paragraph (5) to any area in the ozone transport region.

(2) by adding at the end the following:

“(C) STUDY ON CERTAIN FUEL ADDITIVES AND BLENDING RATIONALE.—(A) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Administrator shall—

(i) conduct a study on the effects on public health (including the effects on children, pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of the adjustment for methyl tertiary butyl ether in gasoline—

(1) ethyl tertiary butyl ether;

(2) isopropyl tertiary butyl ether;

(3) di-isopropyl ether;

(4) tertiary butyl alcohol;

(5) n-propyl acetate; and

(6) any other compound that is not ethyl tertiary butyl ether.

(B) by adding at the end the following:

“(D) OPT-IN AREAS.—(1) IN GENERAL.—(A) by adding at the end the following:

“(II) alkylates; and

(III) iso-octane; and

(IV) tertiary butyl alcohol;

(2) by adding at the end the following:

“(III) installed vapor recovery systems of a motor vehicle.

(b) (1) (i) Not later than 4 years after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.
(m) **RENEWABLE FUELS SURVEY.**—(1) In order to improve the ability to evaluate the effectiveness of the Nation’s renewable fuels mandate, the Administrator shall conduct and publish the results of a survey of renewable fuels demand in the motor vehicle fuels market in the United States. The survey shall be conducted in a manner designed to protect the confidentiality of individual responses. In conducting the survey, the Administrator shall collect information both on a national and regional basis, including each of the following:

- (A) The quantity of renewable fuels produced.
- (B) The quantity of renewable fuels blended.
- (C) The quantity of renewable fuels imported.
- (D) The quantity of renewable fuels demanded.
- (E) Market price data.
- (F) Such other analyses or evaluations as the Administrator finds necessary to achieve the purposes of this section.

(2) The Administrator shall also collect or estimate information both on a national and regional basis, pursuant to subparagraphs (A) through (F) of paragraph (1), for the 5 years prior to implementation of this subsection.

(3) This subsection does not affect the authority of the Administrator to collect data under section 1512 of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a).'

SEC. 1509. **DATA COLLECTION.**

Section 265 of the Department of Energy Organization Act (42 U.S.C. 713a) is amended by adding at the end the following:

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(m) RENEWABLE FUELS SURVEY.—(1) In order to improve the ability to evaluate the effectiveness of the Nation’s renewable fuels mandate, the Administrator shall conduct and publish the results of a survey of renewable fuels demand in the motor vehicle fuels market in the United States. The survey shall be conducted in a manner designed to protect the confidentiality of individual responses. In conducting the survey, the Administrator shall collect information both on a national and regional basis, including each of the following:

(A) The quantity of renewable fuels produced.

(B) The quantity of renewable fuels blended.

(C) The quantity of renewable fuels imported.

(D) The quantity of renewable fuels demanded.

(E) Market price data.

(F) Such other analyses or evaluations as the Administrator finds necessary to achieve the purposes of this section.

(2) The Administrator shall also collect or estimate information both on a national and regional basis, pursuant to subparagraphs (A) through (F) of paragraph (1), for the 5 years prior to implementation of this subsection.

(3) This subsection does not affect the authority of the Administrator to collect data under section 1512 of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a).
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SEC. 1509. **FUEL SYSTEM REQUIREMENTS HARMONIZATION STUDY.**

(a) **STUDY.**—

(1) **IN GENERAL.**—The Administrator of the Environmental Protection Agency and the Secretary shall jointly conduct a study of Federal, State, and local requirements concerning motor vehicle fuels, including—

(A) requirements relating to reformulated gasoline, volatility (measured in Reid vapor pressure), oxygenated fuel, and diesel fuel; and

(B) other requirements that vary from State to State, region to region, or locality to locality.

(2) **REQUIRED ELEMENTS.**—The study shall assess—

(A) the effect of the variety of requirements described in paragraph (1) on the supply, quality, and price of motor vehicle fuels available to the consumer;

(B) the effect of the requirements described in paragraph (1) on achievement of—

(i) national, regional, and local air quality standards and goals; and

(ii) related environmental and public health protection standards and goals (including the protection of children, pregnant women, minority or low-income communities, and other sensitive populations);

(C) the effect of Federal, State, and local motor vehicle fuel regulations, including multiple fuel requirements, on—

(i) domestic refineries;

(ii) the fuel distribution system; and

(iii) industry investment in new capacity;

(D) the effect of the requirements described in paragraph (1) on emissions from vehicles, refiners, and fuel handling facilities;

(E) the feasibility of developing national or regional motor vehicle fuel slates for the 48 contiguous States that, while protecting and improving air quality at the national, regional, and local levels, (i) enhance flexibility in the fuel distribution infrastructure and improve fuel fungibility; (ii) reduce price volatility and costs to consumers and producers; (iii) provide increased liquidity to the gasoline market; and

(F) enhance fuel quality, consistency, and supply.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than June 1, 2008, the Administrator of the Environmental Protection Agency and the Secretary shall submit to Congress a report on the results of the study conducted under subsection (a).

(2) **RECOMMENDATIONS.**—

(A) IN GENERAL.—The report shall contain recommendations for legislative and administrative actions that—

(i) improve air quality;

(ii) reduce costs to consumers and producers; and

(iii) increase supply liquidity.

(B) REQUIRED CONSIDERATIONS.—The recommendations under subparagraph (A) shall take into account the need to provide advance notice of required modifications to refinery and fuel distribution systems in order to ensure an adequate supply of motor vehicle fuel in all States.

(C) **CONSULTATION.**—In developing the report, the Administrator of the Environmental Protection Agency and the Secretary shall consult with—

(A) the Governors of the States;

(B) automobile manufacturers;

(C) State and local air pollution control regulators;

(D) public health experts;

(E) motor vehicle fuel producers and distributors; and

(F) the public.

SEC. 1510. **COMMERCIAL BYPRODUCTS FROM MUNICIPAL SOLID WASTE AND CEL- LULOSIC WASTE.**

(a) **DEFINITION OF MUNICIPAL SOLID WASTE.**—

In this section, the term ‘‘municipal solid waste’’ means the meaning given the term ‘‘solid waste’’ in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(b) **ESTABLISHMENT OF PROGRAM.**—The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the processing and conversion of municipal solid waste and cellulose-based feedstock into fuel ethanol and other commercial byproducts.

(c) **REQUIREMENTS.**—The Secretary may provide a loan guarantee under subsection (b) to an applicant if—

(I) without a loan guarantee, credit is not available to the applicant under reasonable terms or conditions sufficient to finance the construction of a facility described in subsection (b);

(II) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and

(III) the loan is made at a rate determined by the Secretary to be reasonable, taking into account the current average yield on outstanding obligations of the United States with similar periods of maturity comparable to the maturity of the loan.

(d) **CRITERIA.**—In selecting recipients of loan guarantees from among applicants, the Secretary shall give preference to those that—

(1) meet all applicable Federal and State permitting requirements;

(2) are most likely to be successful; and

(3) are located in local markets that have the greatest need for the facility because of—

(A) the limited availability of land for waste disposal;

(B) the availability of sufficient quantities of cellulosic biomass; or

(C) a high level of demand for fuel ethanol or other commercial byproducts of the facility.

(e) **MATURITY.**—A loan guaranteed under subsection (b) shall have a maturity of not more than 20 years.

(f) **TERMS AND CONDITIONS.**—The loan agreement for a loan guaranteed under subsection (b) shall provide that no provision of the loan agreement may be amended or waived without the consent of the Secretary.

(g) **ASSURANCE OF REPAYMENT.**—The Secretary shall require that an applicant for a loan guarantee under subsection (b) provide an assurance of repayment in the form of a performance bond, insurance, collateral, or other means acceptable to the Secretary in an amount equal to not less than 20 percent of the amount of the loan.

(h) **GUARANTEE FEE.**—The recipient of a loan guarantee under subsection (b) shall pay the Secretary an amount determined by the Secretary to be sufficient to cover the administrative costs of the Secretary relating to the loan guarantee.

(i) **FULL FAITH AND CREDIT.**—The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the loan for the guarantee with respect to principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(2) REPORTS.—Until such guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(k) **AUTHORIZATION OF APPROPRIATIONS.**—

There are authorized to be appropriated such sums as are necessary to carry out this section.

(2) TERMINATION OF ACTIVITIES.**—The authority of the Secretary to issue a loan guarantee under subsection (b) terminates on the date that is 10 years after the date of enactment of this Act.

SEC. 1511. **RENEWABLE FUEL.**

The Clean Air Act is amended by inserting after section 211 (42 U.S.C. 7541) the following:

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SEC. 212. **RENEWABLE FUEL.**

(1) **MUNICIPAL SOLID WASTE.**—The term ‘‘municipal solid waste’’ has the meaning given the term ‘‘solid waste’’ in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(2) **RFG STATE.**—The term ‘‘RFG State’’ means a State in which is located 1 or more covered areas (as defined in section 211(k)(10)(D)).

(3) **SECRETARY.**—The term ‘‘Secretary’’ means the Secretary of Energy.
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"(b) CELLULOSE BIOMASS ETHANOL AND MUNICIPAL SOLID WASTE LOAN GUARANTEE PROGRAM.—

(1) IN GENERAL.—Funds may be provided for the construction or development of each of the following projects for cellulosic biomass and non-error-derivable ethanol:

(A) A biorefinery plant that will have a cumulative output of at least 30,000,000 gallons of cellulosic biomass ethanol each year.

(B) An advanced biomass, waste-derived fuel processing plant, that may be issued for up to 80 percent of the excess of actual project cost over estimated cost of a project, but minus 15 percent of the amount of the original guarantee.

(2) DEMONSTRATION PROJECTS.—

(A) IN GENERAL.—The Secretary shall issue loan guarantees under this section to carry out not more than 4 projects to demonstrate the feasibility and viability of producing cellulosic ethanol or ethanol from non-error-derived ethanol, including at least 1 project that uses cereal straw as a feedstock and 1 project that uses municipal solid waste as a feedstock.

(B) ELIGIBILITY FOR ASSISTANCE.—Each project shall have a design capacity to produce at least 30,000,000 gallons of cellulosic biomass ethanol each year.

(3) APPLICANT ASSURANCES.—An applicant for a loan guarantee under this section shall provide assurances, satisfactory to the Secretary, that:

(A) Each project design has been validated through the operation of a continuous process facility with a cumulative output of at least 50,000 gallons of ethanol;

(B) The project has been subject to a full technical review;

(C) The project is covered by adequate project performance guarantees;

(D) Each project, the loan guarantee, is economically viable; and

(E) There is a reasonable assurance of repayment of the guaranteed loan.

(4) LIMITATIONS.—

(A) MAXIMUM GUARANTEE.—Except as provided in subparagraph (B), a loan guarantee under this section may be issued for up to 80 percent of the estimated cost of a project, but may not exceed $250,000,000 for a project.

(B) ADDITIONAL GUARANTEES.—

(i) IN GENERAL.—The Secretary may issue additional loan guarantees for a project to cover up to 80 percent of the excess of actual project cost over estimated project cost but not to exceed 15 percent of the amount of the original guarantee.

(ii) PRINCIPAL AND INTEREST.—Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan made under subparagraph (A).

(iii) EQUITY CONTRIBUTIONS.—To be eligible for a loan guarantee under this section, an applicant shall specify an annual equity contribution of at least 15 percent of the total project cost.

(iv) INSUFFICIENT AMOUNTS.—If the amount made available to carry out this section is insufficient to allow the Secretary to make loan guarantees for projects described in subsection (b), the Secretary shall issue loan guarantees for 1 or more qualifying projects under this section in the order in which applications for the projects are received by the Secretary.

(5) APPROVAL.—An application for a loan guarantee under this section shall be approved or disapproved by the Secretary not later than 90 days after the application is received by the Secretary.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 2006.

(7) CONVERSION ASSISTANCE FOR CELLULOSE BIOMASS, WASTE-DERIVED ETHANOL, APPROVED RENEWABLE FUELS.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

(e) CELLULOSE BIOMASS ETHANOL CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide grants to merchant producers of cellulosic biomass ethanol or ethanol from non-error-derived ethanol, for a resource center to further develop biorefinery technology using low-cost biomass for the production of ethanol at the Center for Biomass-Based Energy at the Mississippi State University, $4,000,000 for each of fiscal years 2005 through 2007.

(2) DEMONSTRATION PROJECTS.—

(A) IN GENERAL.—The Administrator shall provide grants for the research into, and development and implementation of, renewable fuel production technologies in RFG States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol.

(2) APPLICATION.—To be eligible to receive a grant under this subsection, an applicant shall specify a demonstration project that assists the Secretary, the Administrator, and other Federal agencies in such information, as the Administrator may specify.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2006 through 2010.

(4) CELLULOSE BIOMASS ETHANOL CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide grants to merchant producers of cellulosic biomass ethanol or ethanol from non-error-derived ethanol, for a resource center to carry out one or more demonstration projects in RFG States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol.

(2) ELIGIBILITY FOR ASSISTANCE.—A production facility shall be eligible to receive a grant under this subsection if the production facility is:

(A) located in the United States; and

(B) uses cellulosic biomass feedstocks derived from agricultural residues or municipal solid waste.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $250,000,000 for fiscal year 2006; and

(4) CONVERSION ASSISTANCE FOR CELLULOSE BIOMASS, WASTE-DERIVED ETHANOL, APPROVED RENEWABLE FUELS.—

(1) IN GENERAL.—The Secretary of Energy may provide grants to merchant producers of cellulosic biomass ethanol, waste-derived ethanol, and approved renewable fuels in the United States to assist the producers in building eligible production facilities described in paragraph (2) for the production of cellulosic biomass ethanol.

(2) ELIGIBLE PRODUCTION FACILITIES.—A production facility shall be eligible to receive a grant under this subsection if the production facility is:

(A) located in the United States; and

(B) uses cellulosic biomass feedstocks derived from agricultural residues or municipal solid waste.

(3) CONVERSION ASSISTANCE.—There are authorized to be appropriated to carry out this subsection $400,000,000 for each of fiscal years 2008 and 2009.

(4) STATE IMPLEMENTATION PLANS.—A State shall be held harmless and shall not be required to participate in the blending of such products.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2008 and 2009.

(6) REGULATIONS.—A State shall be held harmless and shall not be required to adopt the regulations required by paragraph (3) and subject to the limita-

(7) PRESERVATION OF STATE LAW.—Nothing in this subsection shall—

(A) preempt existing State laws or regulations regulating the blending of compliant gasoline; or

(B) prohibit a State from adopting such regulations.

(8) REQUIREMENTS.—The Administrator shall promulgate, after notice and comment, regulations implementing this subsection within one year after the date of enactment of this subsection.

(9) EFFECTIVE DATE.—This subsection shall become effective 15 months after the date of enactment and shall apply to blended batches of reformulated gasoline on or after that date, regardless of whether the implementing regulations required by paragraph (6) have been promulgate by the Administrator by that date.

(10) LIABILITY.—No person other than the person responsible for blending under this subsection shall be subject to an enforcement action under subsections (c) or (d) of section 110 to account for the blending of compliant reformulated gasolines by the retailers.
SEC. 1514. ADVANCED BIOFUEL TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—Subject to the availability of appropriations under subsection (d), the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Agriculture and the Biomass Research and Development Technical Advisory Committee established under section 306 of the Biomass Research and Development Act of 2000 (Public Law 106–224, 7 U.S.C. 8101 note), establish a program, to be known as the “Advanced Biofuel Technologies Program”, to demonstrate advanced technologies for the production of alternative transportation fuels.

(b) PRIORITY.—In carrying out the program under subsection (a), the Administrator shall give priority to projects that enhance the geographical diversity of alternative fuels production and utilize feedstocks that represent 10 percent or less of ethanol or biodiesel fuel production in the United States during the previous fiscal year.

(c) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Part of the program under subsection (a), the Administrator shall fund demonstration projects—

(A) to develop not less than 4 different conversion technologies for producing cellulosic biofuel; and

(B) to develop not less than 5 technologies for coproducing value-added bioproducts (such as fertilizers, herbicides, and pesticides) resulting from the production of biodiesel fuel.

(2) ADMINISTRATION.—Demonstration projects under this subsection shall be—

(A) conducted based on a merit-reviewed, competitive process; and

(B) subject to the cost-sharing requirements of section 9004.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2006 through 2010.

SEC. 1515. WASTE-DERIVED ETHANOL AND BIO-DIESEL.


(1) by striking “‘biodeliesel’ means” and inserting the following: “‘biodeliesel’—

(A) means; and

(2) Paragraph (A) as designated by paragraph (1) by striking “‘and’” at the end and inserting the following:—

‘(B) includes biodiesel derived from—

(i) animal wastes, including poultry fats and poultry waste, and other waste materials; or

(ii) municipal solid waste sludges and sludges derived from wastewater and the treatment of wastewater; and’’.

SEC. 1516. SUGAR ETHANOL LOAN GUARANTEE PROGRAM.

(a) IN GENERAL.—Funds may be provided for the cost (as defined in section 302 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of loan guarantees issued under title XIV to carry out commercial demonstration projects for ethanol derived from sugarcane, bagasse, and other sugarcane byproducts.

(b) DEMONSTRATION PROJECTS.—The Secretary may issue loan guarantees under this section to projects to demonstrate commercially the feasibility and viability of producing ethanol using sugarcane, sugarcane bagasse, and other sugarcane byproducts.

(c) REQUIREMENTS.—An applicant for a loan guarantee under this section may provide assurances, satisfactory to the Secretary, that—

(1) the project design has been validated through the operation of a continuous process facility;

(2) the project has been subject to a full technical review;

(3) the project, with the loan guarantee, is economically viable; and

(4) there is a reasonable assurance of repayment of the guaranteed loan.

(d) LIMITATIONS.—

(1) MAXIMUM GUARANTEE.—Except as provided in paragraph (2), a loan guarantee under this section—

(A) may be issued for up to 80 percent of the estimated cost of a project, but

(B) shall not exceed $50,000,000 for any project.

(2) ADDITIONAL GUARANTEES.—(A) In general.—The Secretary may issue additional loan guarantees for a project to cover—

(i) up to 80 percent of the excess of actual project costs; but

(ii) not in excess of 15 percent of the amount of the original loan guarantee.

(B) PRINCIPAL AND INTEREST.—Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan guarantee made under subparagraph (A).

Subtitle B—Underground Storage Tank Compliance

SEC. 1521. SHORT TITLE.

This subtitle may be cited as the “Underground Storage Tank Compliance Act”.

SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS.

(a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:

“(j) TRUST FUND DISTRIBUTION.—

“(1) IN GENERAL.—(A) AMOUNT AND PERMITTED USES OF DISTRIBUTION.—The Administrator shall distribute to States not less than 80 percent of the funds from the Trust Fund that are made available to the Administrator under section 9004(a)(A) for each fiscal year for use in paying the reasonable costs incurred under a cooperative agreement with any State for—

(i) corrective actions taken by the States under section 9003(h)(7)(A); or

(ii) necessary administrative expenses, as determined by the Administrator, that are directly related to State fund or State assurance programs under subsection (c); or

(iii) enforcement, by a State or a local government, of State regulations pertaining to underground storage tanks regulated under this subtitle.

(B) USE OF FUNDS FOR ENFORCEMENT.—In addition to the funds authorized under subparagraph (A), the Administrator may use funds from the Trust Fund that are not distributed to States under subparagraph (A) for enforcement of any regulation promulgated by the Administrator under this subtitle.

(C) PROHIBITED USES.—Funds provided to a State by the Administrator under subparagraph (A) shall be used by the State to provide financial assistance to an owner or operator to meet any requirement relating to underground storage tanks under subparts B, C, D, H, and G of part 247 of the Code of Federal Regulations (as in effect on the date of enactment of this subsection).

“(2) ALLOCATION.—

(A) PROCESS.—Subject to subparagraphs (B) and (C), in the case of a State with which the Administrator has entered into a cooperative agreement under section 9003(h)(7)(A), the Administrator shall distribute funds from the Trust Fund to the State using an allocation process developed by the Administrator.

(B) DIVISION OF STATE FUNDS.—The Administrator shall not distribute funds under subparagraph (A)(iii) of subsection (j)(1) to any State that has diverted funds from a State fund or State assurance program for purposes other than financing the cost of underground storage tanks covered by this subtitle, with the exception of those transfers that had been completed earlier than the date of enactment of this subsection.

“(3) REVISIONS TO PROCESS.—The Administrator may revise the allocation process referred to in paragraph (1) by the Administrator shall—

(i) consulting with State agencies responsible for overseeing corrective action for releases from underground storage tanks; and

(ii) taking into consideration, at a minimum, each of the following:

(I) The number of confirmed releases from federally regulated leaking underground storage tanks in any State.

(II) The performance of the States in implementing and enforcing the program.

(III) The financial needs of the States.

(V) The ability of the States to use the funds referred to in subparagraph (A) in any year.

“(4) DISTRIBUTIONS TO STATE AGENCIES.—Distributions from the Trust Fund under this subsection shall be made directly to a State agency that—

(A) enters into a cooperative agreement referred to in paragraph (2)(A); or

(B) is enforcing a State program approved under this section.

“(b) WITHDRAWAL OF APPROVAL OF STATE FUNDS.—Section 9004(c) of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by inserting the following new paragraph at the end thereof:

“(1) IN GENERAL.—In determining the level of recovery effort, or amount that should be recovered, the Administrator (or the State pursuant to paragraph (7)) shall consider the owner or operator’s ability to pay. An inability or limited ability to pay corrective action costs must be demonstrated to the Administrator (or the State pursuant to paragraph (7)) by the owner or operator.

“(ii) CONSIDERATIONS.—In determining whether a demonstration shown is made under clause (i), the Administrator (or the State pursuant to paragraph (7)) shall take into consideration the ability of the owner or operator to pay corrective action costs and still maintain its basic business operations, including consideration of the overall financial condition of the owner or operator and demonstrable constraints on the ability of the owner or operator to raise revenue.

“(iii) INFORMATION.—An owner or operator requesting consideration under this subparagraph shall promptly provide to the Administrator (or the State pursuant to paragraph (7)) all relevant information needed to determine the ability of the owner or operator to pay corrective action costs.

“(iv) ALTERNATIVE PAYMENT METHODS.—The Administrator (or the State pursuant to paragraph (7)) shall consider alternative payment methods as may be necessary or appropriate if the Administrator (or the State pursuant to paragraph (7)) determines that an owner or operator cannot pay all or a portion of the costs in a lump sum payment.

“(v) MISREPRESENTATION.—If an owner or operator provides false information or otherwise misrepresents then financial situation under paragraph (3) the Administrator (or the State pursuant to paragraph (7)) shall seek full recovery of the costs of all such actions pursuant to the
provisions of subparagraph (A) without consideration of the factors in subparagraph (B)."

SEC. 1523. INSPECTION OF UNDERGROUND STORAGE TANKS.

(a) INSPECTION REQUIREMENTS.—Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended by inserting the following new subsection at the end thereof:

(1) UNINSPECTED TANKS.—In the case of underground storage tanks regulated under this subtitle, the Administrator or a State that receives funding under this section, as appropriate, shall conduct on-site inspections of all such tanks to determine compliance with this subtitle and the regulations under this subtitle (40 C.F.R. 280) or a requirement or standard of a State program developed under section 9004.

(2) PERIODIC INSPECTIONS.—After completion of all inspections required under paragraph (1), the Administrator or a State that receives funding under this subtitle, as appropriate, shall conduct on-site inspections of each underground storage tank regulated under this subtitle at least once every 3 years to determine compliance with this subtitle and the regulations under this subtitle (40 C.F.R. 280) or a requirement or standard of a State program developed under section 9004. The Administrator or a State may conduct up to one additional year the first 3-year inspection interval under this paragraph if the State demonstrates that it has insufficient resources to conduct all such inspections within the first 3-year period.

(3) INSPECTION AUTHORITY.—Nothing in this section shall be construed to diminish the Administrator or a State’s authorities under section 9005(a).

(b) STUDY OF ALTERNATIVE INSPECTION PROGRAMS.—The Administrator of the Environmental Protection Agency, in coordination with a State, shall gather information on compliance assurance programs that could serve as an alternative to the inspection programs under section 9005(c) of the Solid Waste Disposal Act (42 U.S.C. 6991d(c)) and shall, within 4 years after the date of enactment of this Act, submit a report to the Congress containing the results of such study.

SEC. 1524. OPERATOR TRAINING.

(a) IN GENERAL.—Section 9010 of the Solid Waste Disposal Act (42 U.S.C. 6991l) is amended to read as follows:

"SEC. 9010. OPERATOR TRAINING.

"(a) GUIDELINES.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Administrator and the States, in consultation and cooperation with States and other responsible authorities, shall publish guidelines that specify training requirements for—

(A) persons having primary responsibility for on-site operations and maintenance of underground storage tank systems;

(B) persons having daily on-site responsibility for the operation and maintenance of underground storage tank systems; and

(C) daily, on-site employees having primary responsibility for addressing emergencies presented by a spill or release from an underground storage tank system.

(2) CONSIDERATIONS.—The guidelines described in paragraph (1) shall take into account—

(A) State training programs in existence as of the date of publication of the guidelines;

(B) training programs that are being employed by tank owners and tank operators as of the date of enactment of the Underground Storage Tank Compliance Act;

(C) the high turnover rate of tank operators and other personnel; and

(D) the frequency of improvement in underground storage tank equipment technology;

(E) the nature of the businesses in which the tank operators are engaged;

(F) the substantial differences in the scope and length of training needed for the different classes of personnel described in subparagraphs (A), (B), and (C) of paragraph (1); and

(G) other such factors as the Administrator determines to be necessary to carry out this section.

(b) STATE PROGRAMS.—

(1) IN GENERAL.—Not later than 2 years after the date on which the Administrator publishes the guidelines under subsection (a)(4), each State that receives funding under this subtitle shall develop State-specific training requirements that are consistent with the guidelines developed under subsection (a)(1).

(2) REQUIREMENTS.—State requirements described in paragraph (1) shall—

(A) be consistent with subsection (a);

(B) be developed in cooperation with tank owners and tank operators;

(C) take into consideration training programs required under this section and tank operators as of the date of enactment of this section; and

(D) be appropriately communicated to tank owners and operators.

(3) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements required training programs as described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $200,000, to be used to carry out the requirements.

(c) TRAINING.—All persons that are subject to the operator training requirements of subsection (a) shall—

(1) meet the training requirements developed under subsection (b) and conduct on-site inspections of each underground storage tank regulated under this subtitle at least once every 3 years to determine compliance with this subtitle, the regulations under this subtitle (40 C.F.R. 280) or a requirement or standard of a State program developed under section 9004.

(2) The Administrator or a State that receives funding under this section, as appropriate, shall conduct inspections, issue orders, or bring action under this section to ensure that the State is complying with the requirements.

(d) STATE SPECIFIC TRAINING REQUIREMENTS.

The Administrator or a State that receives funding under this subtitle shall develop State-specific training requirements that are consistent with the guidelines described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $200,000, to be used to carry out the requirements.


SEC. 1525. REMEDIATION FROM OXYGENATED FUEL ADDITIVES.

(a) IN GENERAL.—The Administrator and the States may use funds made available under section 9014(2)(B) to carry out corrective actions with respect to a release of a fuel containing an oxygenated fuel additive that presents a threat to human health or welfare or the environment.

(b) APPLICABLE AUTHORITY.—The Administrator or a State shall carry out subparagraph (A) in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).

SEC. 1526. RELEASE PREVENTION, COMPLIANCE, AND ENFORCEMENT.

(a) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

"SEC. 9011. USE OF FUNDS FOR RELEASE PREVENTION AND COMPLIANCE.

"Funds made available under section 9014(2)(D) from the Trust Fund may be used to conduct inspections, issue orders, or bring actions under this subtitle.

(1) by a State, in accordance with a grant or cooperative agreement with the Administrator, for State programs regulating underground storage tanks regulated under this subtitle; and

(2) by the Administrator, for State programs regulating underground storage tanks approved under section 9004.""

SEC. 1527. ADDITIONS TO SUBTITLE I.

"(A) by adding at the end the following:

"(1) Oxygenated fuel additive that presents a threat to human health or welfare or the environment.

(2) A record of underground storage tanks regulated under this subtitle.

(3) The nature of the businesses in which the tank operators are engaged.

(4) The substantial differences in the scope and length of training needed for the different classes of personnel described in subparagraphs (A), (B), and (C) of paragraph (1); and

(5) Other such factors as the Administrator determines to be necessary to carry out this section.

(b) GOVERNMENT-OWNED TANKS.

(1) STATE COMPLIANCE REPORT.—Not later than 2 years after the date of enactment of this Act, the Administrator shall submit a report to the Congress containing the results of such study.

(2) CONSIDERATIONS.

(F) A record of underground storage tanks regulated under this subtitle.

(3) The Administrator shall add to the report a record of underground storage tanks regulated under this subtitle.

(4) Nothing in this section shall be construed to diminish the Administrator’s authority under this Act or any other authority that the State is entitled to receive under this subtitle, not more than $200,000, to be used to carry out the report.

(5) NOT A SAFE BET.—This section does not relieve any person from any obligation or requirement under this subtitle.

(c) PUBLIC RECORD.—Section 9002 of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by adding at the end the following:

"(4) PUBLIC RECORD.—

"(A) by adding after subparagraph (A) the following:

(1) A record of underground storage tanks regulated under this subtitle.

(2) The nature of the businesses in which the tank operators are engaged.

(3) The high turnover rate of tank operators and other personnel; and

(4) The frequency of improvement in underground storage tank equipment technology;

(5) The nature of the businesses in which the tank operators are engaged.

(6) The substantial differences in the scope and length of training needed for the different classes of personnel described in subparagraphs (A), (B), and (C) of paragraph (1); and

(7) Other such factors as the Administrator determines to be necessary to carry out this section.

(2) By adding after subparagraph (A) the following:

"(12) REMEDIATION OF OXYGENATED FUEL CONTAMINATION.—"
“(i) this subtitle; or
“(ii) an applicable State program approved under section 9004; and
“(C) data on the number of underground storage tanks located in the States.”.

(d) INCENTIVE FOR PERFORMANCE.—Section 9006 of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

“(e) INCENTIVE FOR PERFORMANCE.—Both of the following may be taken into account in determining the terms of a civil penalty under subsection (d):

“(1) The compliance history of an owner or operator in accordance with this subtitle or a program approved under section 9004.
“(2) Any other factor the Administrator considers appropriate.”.

(e) TABLE OF CONTENTS.—The table of contents for such subtitle I is amended by adding after the following new item at the end thereof:

“Sec. 9011. Use of funds for release prevention and compliance.”.

SEC. 1527. DELIVERY PROHIBITION.

(a) In GENERAL.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

“SEC. 9012. DELIVERY PROHIBITION.

(a) IN GENERAL.—No person shall deliver to, deposit, or accept any regulated substance to an underground storage tank at a facility which has been identified by the Administrator or a State implementing agency as ineligible for delivery, deposit, or acceptance of a regulated substance; or

(b) EFFECT ON STATE AUTHORITY.—Nothing in this section shall affect or preempt the authority of a State to prohibit the delivery, deposit, or acceptance of a regulated substance to an underground storage tank.

(c) DEFENSE TO VIOLATION.—A person shall not be in violation of this section if the person has not been provided with notice pursuant to subsection (a)(2)(D) of the ineligibility of a facility for delivery, deposit, or acceptance of a regulated substance under this section to the Administrator or a State, as appropriate, under this section.”.

(b) ENFORCEMENT.—Section 9006(d)(2) of such Act (42 U.S.C. 6991d(2)) is amended as follows:

“(1) By adding the following new subparagraph after paragraph (1):

“(E) the delivery prohibition requirement established by section 9012.”.

“(2) By adding the following new sentence at the end thereof: “Any person who makes or accepts a delivery or deposit of a regulated substance to an underground storage tank at an ineligible facility in violation of section 9012 shall be subject to the same civil penalty for each day of such violation.”.

(c) TABLE OF CONTENTS.—The table of contents for such subtitle I is amended by adding after the following new item at the end thereof:

“Sec. 9012. Delivery prohibition.”.

SEC. 1528. FEDERAL FACILITIES.

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end the following:

“Sec. 9006. Use of funds for release prevention and compliance.

(a) In GENERAL.—Not later than 12 months after the date of enactment of the Underground Storage Tank Compliance Act, each Federal agency that owns or operates 1 or more underground storage tanks, or that manages land on which 1 or more underground storage tanks are located, shall submit to the Administrator, the Committee on Energy and Commerce of the United States House of Representatives, the Committee on Environment and Public Works of the United States Senate, and Congress a compliance strategy report that:

“(A) lists the location and owner of each underground storage tank described in this paragraph;

“(B) lists all tanks that are not in compliance with this subtitle that are owned or operated by the Federal agency;

“(C) specifies the date of the last inspection by the Federal agency of each underground storage tank owned or operated by the agency;

“(D) lists each violation of this subtitle reported with respect to any underground storage tank owned or operated by the agency;

“(E) describes the operator training that has been provided to the operator and other persons having primary daily on-site management responsibility for the operation and maintenance of underground storage tanks owned or operated by the agency;

“(F) describes the actions that have been and will be taken to ensure compliance for each underground storage tank identified under paragraph (A); and

“(G) Not a Safe Harbor.—This subsection does not relieve any person from any obligation or requirement under this subtitle.”.

SEC. 9012. TANKS ON TRIBAL LANDS.

(a) IN GENERAL.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by adding at the end thereof:

“(B) STRATEGY.—The Administrator, in coordination with Indian tribes, shall, not later than 1 year after the date of enactment of this section, develop and implement a strategy for:

“(i) giving priority to releases that present the greatest threat to human health or the environment, to take necessary corrective action in response to releases from any underground storage tanks located wholly within the boundary areas of—

“(A) the United States, or any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or political subdivision that involves enforcement of any such injunctive relief, No agent, employee, or officer of the United States shall be person-
"(A) An Indian reservation; or
"(B) any other area under the jurisdiction of an Indian tribe; and
"(2) To implement and enforce requirements concerning underground storage tanks located wholly within the boundaries of—
"(A) an Indian reservation; or
"(B) any other area under the jurisdiction of an Indian tribe.

"(b) Report.—Not later than 2 years after the date of enactment of this section, the Administrator shall require each State that receives funding under this subtitle to require one of the following:

"(1) the boundaries of Indian reservations; and
"(2) any other areas under the jurisdiction of an Indian tribe.

The Administrator shall make the report under this subsection available to the public.

"(c) NOT A SAFE HARBOR.—This section does not relieve any person from any obligation or requirement under this subtitle.

"(d) STATE AUTHORITY.—Nothing in this section applies to any underground storage tank that is in an area other than the boundaries of a State, or that is subject to regulation by a State, as of the date of enactment of this section.

"(B) any other area under the jurisdiction of a State, or that is subject to regulation by a State, or is subject to regulation by a State."
(B) in subsection (b)(1), by striking “relevant” and inserting “relevant”; and
(C) in subsection (b)(4), by striking “Environmental” and inserting “Environmental”.

Subtitle C—Boutique Fuels
SEC. 1541. REDUCING THE PROLIFERATION OF BOUTIQUE FUELS.
(a) TEMPORARY WAIVERS DURING SUPPLY EMERGENCIES.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) as amended by inserting “(i)” after “(C)” and by adding the following new clauses at the end thereof:

“(ii) The Administrator may temporarily waive a control or prohibition respecting the use of a fuel or fuel additive required or regulated by the Administrator pursuant to subsection (c), (h), (i), (k), or (m) of this section or prescribed in an applicable implementation plan under section 110 approved by the Administrator under clause (i) of this subparagraph if, after consultation with, and concurrence by, the Secretary of Energy, the Administrator determines that—

(I) extreme and unusual fuel or fuel additive supply circumstances exist in a State or region of the Nation which prevent the distribution of an adequate supply of the fuel or fuel additive to consumers;

(II) such extreme and unusual fuel and fuel additive supply circumstances are the result of a natural event, a public health event, a pipeline or refinery equipment failure, or another event that could not reasonably have been foreseen or prevented and not the lack of prudent planning on the part of the fuel or fuel additive to such State or region; and

(III) it is in the public interest to grant the waiver (for example, when a waiver is necessary to meet projected temporary shortfalls in the supply of the fuel or fuel additive in a State or region of the Nation which cannot otherwise be compensated for).

(III) the Administrator may determine that a control or prohibition respecting a new fuel or a fuel additive is necessary to mitigate a significant adverse impact on fuel producibility in a State or region, or prevent an adverse impact on use of fuels in a State or region; and

(IV) it is in the public interest to grant the waiver.

(b) The waiver is effective for a period of 20 calendar days or, if the Administrator determines that the waiver period is necessary to meet the shortest practicable time period necessary to permit the correction of the extreme and unusual fuel and fuel additive supply circumstances and to mitigate impact on air quality.

(c) The Administrator grants the waiver if—

(I) the waiver applies to the smallest geographic area necessary to address the extreme and unusual fuel and fuel additive supply circumstances; and

(II) the waiver is effective for a period of 20 calendar days or, if the Administrator determines that the waiver period is necessary to meet the shortest practicable time period necessary to permit the correction of the extreme and unusual fuel and fuel additive supply circumstances and to mitigate impact on air quality.

(d) The Administrator shall promulgate regulations to implement clause (i).

(e) Within 180 days of the date of enactment of this clause, the Administrator shall promulgate regulations to implement clause (ii) and (iii).

(f) Nothing in this subparagraph shall—

(I) limit or otherwise affect the application of any other waiver authority of the Administrator pursuant to this section or pursuant to a regulation promulgated pursuant to this section; and

(II) subject any State or person to an enforcement action, penalties, or liability solely arising from actions taken pursuant to the issuance of a waiver under this subparagraph.

(b) LIMIT ON NUMBER OF BOUTIQUE FUELS.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) as further amended by adding at the end the following:

“(v) Nothing in this section shall be construed to have any authority of States to require the use of any fuel additive registered in accordance with subsection (b) of this section for any purpose other than the production of fuels for use in highway and nonroad motor vehicles.

(c) STUDY AND REPORT TO CONGRESS ON BOUTIQUE FUELS.

(1) JOINT STUDY.—The Administrator of the Environmental Protection Agency and the Secretary of Energy, in consultation with the Secretary of Commerce, shall coordinate the study required by this section with other studies required by the act.

(2) RESPONSIBILITY OF ADMINISTRATOR.—In carrying out the study required by this section, the Administrator shall coordinate obtaining comments from State and local governments and other interested parties on the adverse impact on fuel producibility in a State or region or on the availability of fuels in a State or region of the provision of fuels for uses other than those for which such fuels were intended, and shall coordinate the study with relevant studies of State and local governments and other interested parties on the adverse impact on fuel producibility in a State or region or on the availability of fuels in a State or region of the provision of fuels for uses other than those for which such fuels were intended.

(3) RESPONSIBILITY OF SECRETARY.—In carrying out the study required by this section, the Secretary shall coordinate obtaining comments from affected parties interested in the air quality impact assessment portion of the study.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator and the Secretary $500,000 for the completion of the study required under this section.

(5) DEFINITIONS.—In this section:

(A) the term ‘‘Administrator’’ means the Administrator of the Environmental Protection Agency;

(B) the term ‘‘Secretary’’ means the Secretary of Energy; and

(C) the term ‘‘fuel’’ means a liquid substance, other than water, that burns to produce energy or electricity and is used in motor vehicles or for other purposes.

Subtitle D—Climate Change Technology Development
SEC. 1601. GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGY DEVELOPMENT.
(a) TITLE XVI—CLIMATE CHANGE

(b) TITLE XVI OF THE ENERGY POLICY ACT OF 1992 (42 U.S.C. 13381 et seq.) is amended by adding at the end the following:

“SEC. 1610. GREENHOUSE GAS INTENSITY REDUCING STRATEGIES.

“(a) DEFINITIONS.—In this section:

(1) ADVISORY COMMITTEE.—The term ‘‘Advisory Committee’’ means the Climate Change Technology Advisory Committee established under subsection (f)(1).
"(2) CARBON SEQUESTRATION.—The term ‘carbon sequestration’ means the capture of carbon dioxide through terrestrial, geological, biological, or other means, which prevents the release of carbon dioxide into the atmosphere.

"(3) COMMITTEE.—The term ‘Committee’ means the Committee on Climate Change Technology established under subsection (b)(1).

"(4) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish a Committee on Climate Change Technology to—

(1) coordinate Federal climate change technology activities and programs carried out in furtherance of the strategy developed under subsection (a); and

(2) MEMBERSHIP.—The Committee shall be composed of—

(A) 3 members shall represent groups that have an interest in climate change technology, including—

(B) 3 members shall represent government agencies or other Federal research facilities, institutions of higher education, and the private sector to determine which technologies are suitable for commercialization and deployment; and

(B) any recommendations of the Advisory Committee with respect to the commercialization and deployment of greenhouse gas intensity reducing technologies and practices in the United States.

"(5) REPORT.—Not later than 180 days after the completion of the inventory under paragraph (1), the Secretary shall submit to Congress a report that includes the results of the completed inventory and any recommendations of the Secretary.

"(6) USE.—The Secretary shall use the results of the inventory and recommendations in the commercialization and deployment of greenhouse gas intensity reducing technologies.

"(7) NATIONALLY NOW AVAILABLE TECHNOLOGIES.—The Secretary shall—

(A) periodically update the inventory under paragraph (1), including when determined necessary by the Committee; and

(B) make the updated inventory available to the public.

"(8) REPORT.—Not later than 1 year after the date of enactment of this section and annually thereafter, the Advisory Committee shall submit a report that includes the results of the inventory and any recommendations of the Committee, and make public an inventory and evaluation of technologies developed through research and development and deployment to reduce greenhouse gas intensity; and

"(9) TECHNOLOGY INVENTORY.—(A) in General.—The Secretary shall conduct a study and evaluation of greenhouse gas intensity reducing technologies that have been developed, or are under development, by the National Laboratories, other Federal research facilities, institutions of higher education, and the private sector to determine which technologies are suitable for commercialization and deployment.

(B) REPORT.—Not later than 180 days after the completion of the inventory under paragraph (1), the Secretary shall submit to Congress a report that includes the results of the completed inventory and any recommendations of the Secretary.

"(10) USE.—The Secretary shall use the results of the inventory and recommendations in the commercialization and deployment of greenhouse gas intensity reducing technologies.

"(11) UNITED STATES INTERNATIONAL TRADE.—The Secretary shall provide for the removal of domestic barriers to commercialization, deployment, and in-
“(2) GREENHOUSE GAS.—The term ‘greenhouse gas’ means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

“(3) GREENHOUSE GAS INTENSITY.—The term ‘greenhouse gas intensity’ means the ratio of greenhouse gas emissions to economic output.

“(4) PRIORITY.—In providing assistance under subsection (b), the Secretary of State shall give priority to projects in the 25 developing countries identified in the report submitted under subsection (a).”

“SEC. 738. TECHNOLOGY INVENTORY FOR DEVELOPING COUNTRIES.

“(a) IN GENERAL.—The Secretary of Energy, in coordination with the Secretary of State and the Secretary of Commerce, shall conduct an inventory of greenhouse gas intensity reducing technologies that are developed, or under development, in developing countries, to identify technologies that are suitable for transfer to, deployment in, and commercialization in the developing countries identified in the report submitted under section 732(a).”

“(b) REPORT.—Not later than 180 days after the completion of the inventory under subsection (a), the Secretary of State and the Secretary of Energy shall jointly submit to Congress a report that—

“(1) includes the results of the completed inventory;

“(2) identifies obstacles to the transfer, deployment, and commercialization of the inventoried technologies;

“(3) includes inputs from previous Federal reports related to the inventoried technologies; and

“(4) includes an analysis of market forces related to the inventoried technologies.”

“SEC. 739. TRADE-RELATED BARRIERS TO EXPORT OF GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGIES.

“(a) IN GENERAL.—Not later than 1 year after the date of enactment of this part, the United States Trade Representative shall (as appropriate and consistent with applicable bilateral, regional, and mutual trade agreements)—

“(1) identify trade-relations barriers maintained by foreign countries to the export of greenhouse gas intensity reducing technologies and practices from the United States to the developing countries identified in the report submitted under section 732(a)(2); and

“(2) negotiate with foreign countries for the removal of those barriers.

“(b) ANNUAL REPORT.—Not later than 1 year after the date on which a report is submitted under subsection (a)(1) and annually thereafter, the United States Trade Representative shall submit to Congress a report that describes any progress made with respect to removing the barriers identified by the United States Trade Representative under subsection (a)(1).

“SEC. 735. GREENHOUSE GAS INTENSITY REDUCING TECHNOLOGY EXPORT INITIATIVES.

“(a) IN GENERAL.—There has been established an interagency working group to carry out a Greenhouse Gas Intensity Reducing Technology Export Initiative to—

“(1) promote the export of greenhouse gas intensity reducing technologies and practices from the United States;

“(2) identify developing countries that should be designated as priority countries for the purpose of exporting greenhouse gas intensity reducing technologies and practices, based on the report submitted under section 732(a)(2);

“(3) identify potential barriers to adoption of exported greenhouse gas intensity reducing technologies and practices based on the reports submitted under section 734; and

“(4) identify previous efforts to export energy technologies to learn best practices.

“(b) COMPOSITION.—The working group shall be composed of—

“(1) the Secretary of State, who shall act as the head of the working group;

“(2) the Administrator of the United States Agency for International Development;

“(3) the Under Representative; and

“(4) a designee of the Secretary of Energy; and

“(b) the Administrator of the Environmental Protection Agency.”

“(c) PERFORMANCE REVIEWS AND REPORTS.—Not later than 180 days after the date of enactment of this part and each year thereafter, the interagency working group shall—

“(1) conduct a periodic review of actions taken and results achieved by the Federal Government (including each of the agencies represented on the interagency working group) to promote the export of greenhouse gas intensity reducing technologies and practices from the United States; and

“(2) submit to the appropriate authorizing and appropriating committees of Congress a report that describes the results of the performance reviews and evaluates progress in promoting the export of greenhouse gas intensity reducing technologies and practices from the United States, including any recommendations for increasing the export of the technologies and practices.”

“SEC. 730. TECHNOLOGY DEMONSTRATION PROJECTS.

“(a) IN GENERAL.—The Secretary of State, in coordination with the Secretary of Energy and the United States Agency for International Development, shall promote the adoption of technologies and practices that reduce greenhouse gas intensity in developing countries in accordance with this section.

“(b) DEMONSTRATION PROJECTS.—

“(1) IN GENERAL.—The Secretaries and the Administrator shall plan, coordinate, and carry out activities that promote assistance for the planning, coordination, or carrying out of, demonstration projects under this section in at least 10 eligible countries, as determined by the Secretaries and the Administrator.

“(2) ELIGIBILITY.—A country shall be eligible for assistance under this subsection if the Secretaries and the Administrator determine that the country has demonstrated a commitment to—

“(A) just governance, including—

“(i) promoting the rule of law;

“(ii) respecting human and civil rights;

“(iii) protecting private property rights; and

“(iv) combating corruption; and

“(B) economic freedom, including economic policies that—

“(i) encourage citizens and firms to participate in global trade and international capital markets;

“(ii) promote private sector growth and the sustainable management of natural resources; and

“(iii) strengthen market forces in the economy.

“(3) SELECTION.—In determining which eligible countries to provide assistance to under paragraph (1), the Secretaries and the Administrator shall consider—

“(A) the opportunity to reduce greenhouse gas intensity in the eligible country; and

“(B) the opportunity to generate economic growth in the eligible country.

“(4) TYPES OF PROJECTS.—Demonstration projects under this section may include—

“(A) coal gasification, coal liquefaction, and clean coal projects;

“(B) carbon sequestration projects;

“(C) cogeneration technology initiatives;

“(D) renewable projects; and

“(D) lower emission transportation projects.

“SEC. 737. FELLOWSHIP AND EXCHANGE PROGRAMS.

“The Secretary of State, in coordination with the Secretary of Energy and the United States Agency for International Development, and the Administrator of the Environmental Protection Agency, shall carry out fellowship and exchange programs under which one or more representatives from developing countries to the United States, with the aim of acquiring expertise and knowledge of best practices to reduce greenhouse gas intensity in their countries.

“SEC. 739. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated such sums as are necessary to carry out this part.”
SEC. 1702. TERMS AND CONDITIONS.

(a) In General.—Except for division C of Public Law 106–51, the Secretary shall make guarantees under this section on such terms and conditions as the Secretary determines, after consultation with the Comptroller General of the United States, only in accordance with this section.

(b) Specific Appropriation or Contribution.—No guarantee shall be made unless—

(1) an appropriation for the cost has been made; or

(2) the Secretary shall have received from the borrower a payment in full for the cost of the obligation and deposited the payment into the Treasury.

(c) Amount.—Unless otherwise provided by law, a guarantee by the Secretary shall not exceed an amount equal to 80 percent of the project cost of the facility that is the subject of the guarantee, as estimated at the time at which the guarantee is issued.

(d) Payment.—

(1) In General.—No guarantee shall be made unless the Secretary determines that there is reasonable prospect of repayment of the principal and interest on the obligation by the borrower.

(2) Amount.—No guarantee shall be made unless the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project.

(e) Interest Rate.—An obligation shall bear interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks.

(f) Duration of Obligation.—The duration of an obligation shall require full repayment over a period not to exceed the lesser of—

(1) 30 years; or

(2) the period during which the project-related physical assets of the facility will be financed by the obligation (as determined by the Secretary).

(g) Defaults.—

(1) IN GENERAL.—If a borrower defaults on the obligation (as defined in regulations promulgated by the Secretary and specified in the guarantee contract), the holder of the guarantee shall have the right to demand payment of the unpaid amount from the Secretary.

(2) Payment.—Within such period as may be specified in the guarantee or related agreements, the Secretary shall pay to the holder of the guarantee the unpaid interest on, and principal of, the obligation as to which the borrower has defaulted, unless the Secretary finds that there was no default by the borrower in the payment of interest or principal that the default has been remedied.

(h) Forbearance.—Nothing in this subsection precludes any forbearance by the holder of the obligation for the benefit of the borrower which may be agreed to in the guarantee or related agreements, and which is necessary to keep the obligation in force.

(i) Subrogation.—

(A) In General.—If the Secretary makes a payment under paragraph (1), the Secretary shall be subrogated to the rights of the recipient of the payment as specified in the guarantee or related agreements, and, where appropriate, the authority (notwithstanding any other provision of law) to—

(i) complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements; or

(ii) permit the borrower, pursuant to an agreement with the Secretary, to continue to pursue the purposes of the guarantee, if the Secretary determines this to be in the public interest.

(B) Superiority of Rights.—The rights of the Secretary, with respect to any property acquired pursuant to a guarantee or related agreement, shall be superior to the rights of any other person with respect to the property.

(j) Terms and Conditions.—A guarantee agreement shall include such detailed terms and conditions as the Secretary determines appropriate to—

(1) protect the interests of the United States in the case of default; and

(2) have available all the patents and technology necessary for any person selected, including the Secretary, to complete and operate the project.

(k) Payment of Principal and Interest by Secretary.—With respect to any obligation guaranteed under this section, the Secretary may enter into a contract to pay, and pay, holders of the obligation, for and on behalf of the borrower, from funds appropriated for that purpose, interest and principal payments which become due and payable on the unpaid balance of the obligation if the Secretary finds that—

(A) the borrower is unable to meet the payments and interest in default;

(B) it is in the public interest to permit the borrower to continue to pursue the purposes of the project; and

(C) the probable net benefit to the Federal Government in paying the principal and interest will be greater than that which would result in the event of a default.

(l) Fees.—

(1) In General.—The Secretary shall charge fees under this section that are sufficient to cover applicable administrative expenses.

(2) Availability.—Fees collected under this subsection shall—

(A) be deposited by the Secretary into the Treasury; and

(B) remain available until expended, subject to such other conditions as are contained in annual appropriations Acts.

(i) RECORDS; AUDITS.—

(1) In General.—A recipient of a guarantee shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including such records as the Secretary may determine necessary to facilitate the administration of this section.

(2) Access.—The Secretary and the Comptroller General of the United States, or their duly authorized representatives, shall have access, for the purpose of audit, to the records and other pertinent documents.

(j) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

SEC. 1703. ELIGIBLE PROJECTS.

(a) In General.—The Secretary may make guarantees under this section only for projects that—

(1) avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases; and

(2) employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued.

(b) Categories.—Projects from the following categories shall be eligible for a guarantee under this section:

(1) Renewable energy systems.

(2) Advanced fossil energy technology (including coal gasification meeting the criteria in subsection (d)).

(3) Hydrogen fuel cell technology for residential, industrial or—transportation applications.

(4) Advanced nuclear energy facilities.

(5) Carbon capture and sequestration practices and technologies, including agricultural and forestry practices that store and sequester carbon.

(6) Efficient electrical generation, transmission, distribution, and associated technologies.

(7) Efficient end-use energy technologies.

(8) Production facilities for fuel efficient vehicles, including hybrid and advanced diesel vehicles.

(9) Pollution control equipment.

(10) Refineries, meaning facilities at which crude oil is refined into gasoline.

(c) GASIFICATION PROJECTS.—The Secretary may make guarantees for the following gasification projects:

(1) INTEGRATED GASIFICATION COMBINED CYCLE PROJECTS.—Integrated gasification combined cycle plants meeting the emission levels under subsection (d), including—

(A) projects for the generation of electricity—

(i) that, during the term of the guarantee—

(I) coal, biomass, petroleum coke, or a combination of coal, biomass, and petroleum coke will account for at least 65 percent of annual heat input; and

(II) electricity will account for at least 65 percent of net useful annual energy output;

(ii) that have a design that is determined by the Secretary to be capable of accommodating the equipment likely to be necessary to capture the carbon dioxide that would otherwise be emitted in flue gas from the plant;

(iii) that have an assured revenue stream that covers project capital and operating costs (including servicing all debt obligations covered by the guarantee); and

(iv) that are associated with the obligation; or

(B) any other security pledged to secure the obligation.

(f) FEES.—
(iv) on which construction commences not later than the date that is 3 years after the date of the issuance of the guarantee;
(B) a project to produce energy from coal (of not more than 2,000 Btu/lb) using appropriate coal liquefaction technology, from Western bituminous or subbituminous coal, using Fischer-Tropsch process; and
(C) a project located in a tone-producing region of the United States that is entitled under the law of the State in which the plant is located to enter into a long-term contract approved by a State public utility commission to sell at least 450 megawatts of output to a utility;
(D) facilities that—
(i) use those streams to facilitate the production of ultra clean premium fuels through the Fischer-Tropsch process and
(ii) produce energy and clean fuels, using appropriate coal liquefaction technology, from Western bituminous or subbituminous coal, that—
(i) is owned by a State government;
(ii) may include tribal and private coal resources;
(ii) may include public coal resources.
(2) INDUSTRIAL GASIFICATION PROJECTS.—Facilities that gasify coal, biomass, or petroleum coke in any combination to produce synthesis gas for use as a fuel or feedstock and for which electric generating capacity of 100 megawatts or more.
(3) LIQUEFACTION PROJECT.—A project that gasifies coal, biomass, or petroleum coke in any combination to produce synthesis gas for use as a fuel or feedstock and for which electric generating capacity of 100 megawatts or more.
(4) LiquefactioN PROJECT.—A project that gasifies coal, biomass, or petroleum coke in any combination to produce synthesis gas for use as a fuel or feedstock and for which electric generating capacity of 100 megawatts or more.
SEC. 1802. STUDY OF ENERGY EFFICIENCY STANDARDS.
The Secretary shall contract with the National Academy of Sciences for a study, to be completed within 1 year after the date of enactment of this Act, to examine whether the goals of energy efficiency standards are best served by
(a) Reductions of energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(b) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(c) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(d) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(e) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
SEC. 1803. TELECOMMUTING STUDY.
(a) STUDY REQUIRED.—The Secretary, in consultation with the National Academy of Sciences, the Administrator of the Environmental Protection Agency, the Administrator of the National Science Foundation, and the Secretary of Transportation, shall submit to Congress a report on how the Low-Income Home Energy Assistance Program can be modified to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capability are effectively coordinated across departments and with the Mexican government.
SEC. 1804. LIQUEFACTION TECHNOLOGY.
The Secretary and the Administrator of the Environmental Protection Agency shall—
(a) conduct a study of the benefits of oil byproduct filtration in reducing demand for oil and protecting the environment;
(b) examine the feasibility of using oil byproduct filtration technology in Federal motor vehicle fleets; and
(c) conduct in such study, prior to any determination of the feasibility of using oil byproduct filtration technology, the evaluation of products and various manufacturers.
SEC. 1805. OIL BYPASS FILTRATION TECHNOLOGY.
The Secretary shall—
(a) conduct a study of the benefits of total integrated thermal systems in reducing demand for oil and protecting the environment; and
(b) examine the feasibility of using total integrated thermal systems in Department of Defense and other Federal Department of Defense and other Federal motor vehicle fleets.
SEC. 1806. TOTAL INTEGRATED THERMAL SYSTEMS.
The Secretary shall—
(a) conduct a study of the benefits of total integrated thermal systems in reducing demand for oil and protecting the environment; and
(b) examine the feasibility of using total integrated thermal systems in Department of Defense and other Federal Department of Defense and other Federal motor vehicle fleets.
SEC. 1807. REPORT ON ENERGY INTEGRATION WITH LATIN AMERICA.
The Secretary shall submit an annual report to the Committee on Energy and Commerce of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate concerning the status of energy export development in Latin America and efforts by the Secretary and other departments and agencies of the United States to promote energy integration with Latin America. The report shall contain a detailed analysis of the status of energy export development in Mexico and a description of all significant efforts by the Secretary and other departments and agencies to promote a constructive relationship with Mexico regarding the development of that nation’s energy capacity. In particular this report shall outline efforts the Secretary and other departments and agencies have made to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capacity are effectively coordinated across departments and with the Mexican government.
SEC. 1808. LOW-VOLUME GAS RESERVOIR STUDY.
(a) STUDY.—The Secretary shall make a grant to an organization of oil and gas producing States, specifically those with significant numbers of marginal oil and natural gas wells, for conducting an annual study of low-volume natural gas reservoirs. Such organization shall work with the State geologist of each State being studied.
(b) REPORT TO CONGRESS.—The report shall outline efforts the Secretary and other departments and agencies have made to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capacity are effectively coordinated across departments and with the Mexican government.
SEC. 1809. AUTHORIZATION OF APPROPRIATIONS.
(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to provide the cost of guarantees under this title.
(b) USE OF OTHER APPROPRIATED FUNDS.—The Department may use amounts awarded under other appropriations under sub-title A of title IV to carry out the project described in section 1750(c)(1)(C), on the request of the recipient of such award, for a loan guarantee, to the extent that the amounts have not yet been disbursed to, or have been repaid by, the recipient.
SEC. 1810. STUDIES AND REPORTS.
(a) STUDY ON INVENTORY OF PETROLEUM AND NATURAL GAS STORAGE.
(b) STUDY.—The Secretary shall conduct a study on petroleum and natural gas storage capacity and operational inventory levels, nationwide and by geographical regions.
(c) CONTENTS.—The study shall address—
(1) historical normal ranges for petroleum and natural gas inventory levels;
(2) historical and projected storage capacity trends;
(3) estimated operation inventory levels below which outages, delivery slowdown, rationing, interruptions in service, or other indicators of shortage begin to appear;
(4) explanations for inventory levels dropping below normal ranges; and
(5) the ability of industry to meet United States demand for petroleum and natural gas without shortages or price spikes, when inventory levels are below normal ranges. The report shall include a report to Congress on the results of the study, including findings and any recommendations for preventing future supply shortages.
SEC. 1812. STUDY OF ENERGY EFFICIENCY STANDARDS.
The Secretary shall contract with the National Academy of Sciences for a study, to be completed within 1 year after the date of enactment of this Act, to examine whether the goals of energy efficiency standards are best served by
(a) Reductions of energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(b) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(c) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(d) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(e) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
SEC. 1813. COLLABORATIVE BENEFITS TO THE ENVIRONMENT.
(1) Examination of Collaborative Benefits to the Environment.
(a) STUDY.—The Secretary shall submit to the President and Congress a report on the study required by this section not later than 6 months after the date of enactment of this Act. Such report shall include a description of the results of the analysis of each of the sub-
(b) CONTENTS.—The report shall include—
(1) a description of the results of the analysis of each of the sub-
(2) a description of the results of the analysis of each of the sub-
(3) a description of the results of the analysis of each of the sub-
(4) a description of the results of the analysis of each of the sub-
(5) a description of the results of the analysis of each of the sub-
SEC. 1814. LIQUEFACTION TECHNOLOGY.
The Secretary and the Administrator of the Environmental Protection Agency shall—
(a) conduct a study of the benefits of oil byproduct filtration in reducing demand for oil and protecting the environment;
(b) examine the feasibility of using oil byproduct filtration technology in Federal motor vehicle fleets; and
(c) conduct in such study, prior to any determination of the feasibility of using oil byproduct filtration technology, the evaluation of products and various manufacturers.
SEC. 1815. TOTAL INTEGRATED THERMAL SYSTEMS.
The Secretary shall—
(a) conduct a study of the benefits of total integrated thermal systems in reducing demand for oil and protecting the environment; and
(b) examine the feasibility of using total integrated thermal systems in Department of Defense and other Federal Department of Defense and other Federal motor vehicle fleets.
SEC. 1816. REPORT ON ENERGY INTEGRATION WITH LATIN AMERICA.
The Secretary shall submit an annual report to the Committee on Energy and Commerce of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate concerning the status of energy export development in Latin America and efforts by the Secretary and other departments and agencies of the United States to promote energy integration with Latin America. The report shall contain a detailed analysis of the status of energy export development in Mexico and a description of all significant efforts by the Secretary and other departments and agencies to promote a constructive relationship with Mexico regarding the development of that nation’s energy capacity. In particular this report shall outline efforts the Secretary and other departments and agencies have made to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capacity are effectively coordinated across departments and with the Mexican government.
SEC. 1809. LOW-VOLUME GAS RESERVOIR STUDY.
(a) STUDY.—The Secretary shall make a grant to an organization of oil and gas producing States, specifically those with significant numbers of marginal oil and natural gas wells, for conducting an annual study of low-volume natural gas reservoirs. Such organization shall work with the State geologist of each State being studied.
(b) REPORT TO CONGRESS.—The report shall outline efforts the Secretary and other departments and agencies have made to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capacity are effectively coordinated across departments and with the Mexican government.
SEC. 1810. STUDIES AND REPORTS.
(a) STUDY ON INVENTORY OF PETROLEUM AND NATURAL GAS STORAGE.
(b) STUDY.—The Secretary shall conduct a study on petroleum and natural gas storage capacity and operational inventory levels, nationwide and by geographical regions.
(c) CONTENTS.—The study shall address—
(1) historical normal ranges for petroleum and natural gas inventory levels;
(2) historical and projected storage capacity trends;
(3) estimated operation inventory levels below which outages, delivery slowdown, rationing, interruptions in service, or other indicators of shortage begin to appear;
(4) explanations for inventory levels dropping below normal ranges; and
(5) the ability of industry to meet United States demand for petroleum and natural gas without shortages or price spikes, when inventory levels are below normal ranges. The report shall include a report to Congress on the results of the study, including findings and any recommendations for preventing future supply shortages.
SEC. 1812. STUDY OF ENERGY EFFICIENCY STANDARDS.
The Secretary shall contract with the National Academy of Sciences for a study, to be completed within 1 year after the date of enactment of this Act, to examine whether the goals of energy efficiency standards are best served by
(a) Reductions of energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(b) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(c) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(d) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
(e) Energy use and energy costs in commuting and regular office heating, cooling, and other operations.
SEC. 1811. COAL BED METHANE STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary of the Interior, in consultation with the Administrator of the Environmental Protection Agency, shall enter into an arrangement under which the National Academy of Sciences shall conduct a study on the effect of coalbed natural gas production on surface and ground water resources, including ground water aquifers, in the States of Montana, Wyoming, Colorado, New Mexico, North Dakota, and Utah.

(2) The study shall address—

(A) the management of coal bed methane produced water;

(B) the use of best management practices; and

(C) various production techniques for coal bed methane natural gas in minimizing impacts on water resources.

(b) DATA ANALYSIS.—The study shall analyze available hydrologic, geologic and water quality data, along with—

(1) production techniques, produced water management techniques, best management practices, and other factors that can mitigate effects of coal bed methane development;

(2) the costs associated with mitigation techniques;

(3) effects on surface or ground water resources, including drinking water, associated with the production of quantities of water produced during extraction of coal bed methane; and

(4) any other significant effects on surface or ground water resources associated with production of coal-bed methane.

(c) RECOMMENDATIONS.—The study shall analyze the effectiveness of current mitigation practices of coal bed methane produced water handling in relation to existing Federal and State laws and regulations, and make recommendations as to changes, if any, to Federal law necessary to address adverse impacts to surface or ground water resources associated with coal bed methane development.

(d) COMPLETION OF STUDY.—The National Academy of Sciences shall submit the findings and recommendations of the study to the Secretary of the Interior and the Administrator of the Environmental Protection Agency within 12 months after the date of enactment of this Act, and shall upon completion make the results of the study available to the public.

(e) REPORT TO CONGRESS.—

(1) INVESTIGATION.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—

(A) the results of the investigation; and

(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—

(A) the results of the evaluation and analysis; and

(B) any recommendations of the National Petroleum Council.

SEC. 1810. INVESTIGATION OF GASOLINE PRICES.

(a) INVESTIGATION.—Not later than 90 days after the date of enactment of this Act, the Federal Trade Commission shall conduct an investigation to determine if the price of gasoline is being artificially manipulated by reducing refinery capacity or by any other form of market manipulation or price gouging practices.

(b) EVALUATION AND ANALYSIS.—The Secretary shall direct the National Petroleum Council to conduct an investigation and analysis to determine whether, and to what extent, environmental and other regulations affect domestic refinery construction and significant expansion of existing refinery capacity.

(c) REPORT TO CONGRESS.—

(1) INVESTIGATION.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—

(A) the results of the investigation; and

(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—

(A) the results of the evaluation and analysis; and

(B) any recommendations of the National Petroleum Council.

SEC. 1812. BACKUP FUEL CAPABILITY STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of the effect of obtaining and maintaining liquid and other fuel backup capability at—

(A) gas-fired generation facilities, and

(B) other gas-fired industrial facilities.

(2) CONTENTS.—The study under paragraph (1) shall address—

(A) the costs and benefits of adding a different fuel capability to a power gas-fired power generating or industrial facility, taking into consideration regional differences; and

(B) methods of the Federal Government and State governments to encourage gas-fired power generators and industries to develop the capability to maintain facilities using a backup fuel.

(3) The study shall address the effect of such capability on—

(A) the supply and cost of natural gas of—

(i) a balanced portfolio of fuel choices in power generation and industrial applications; and

(ii) State regulations that permit agencies in the State to carry out policies that encourage the use of other backup fuels in gas-fired power generation;

(B) changes required in the Clean Air Act (42 U.S.C. 7401 et seq.) to allow natural gas generators to add clean backup fuel capabilities.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study under subsection (a), including recommendations regarding future additions of Federal Government relating to backup fuel capability.

SEC. 1813. INDIAN LAND RIGHTS-OF-WAY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary and the Secretary of the Interior (referred to in this section as the ‘‘Secretaries’’) shall jointly conduct a study of issues regarding energy rights-of-way on tribal land (as defined in section 2001 of the Energy Policy Act of 1992 (as amended by section 503)) (referred to in this section as ‘‘tribal land’’).

(2) CONSULTATION.—In conducting the study under paragraph (1), the Secretaries shall consult with Indian tribes, the energy industry, appropriate governmental entities, and affected businesses and consumers.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretaries shall submit to Congress a report on the findings of the study, including—

(1) an analysis of historic rates of compensation paid for energy rights-of-way on tribal land;

(2) recommendations for appropriate standards and procedures for determining fair and appropriate compensation to Indian tribes for grants, expansions, and renewals of energy rights-of-way on tribal land;

(3) an assessment of the tribal self-determination and sovereignty interests implicated by applications for the grant, expansion, or renewal of energy rights-of-way on tribal land; and

(4) an analysis of relevant national energy transportation policies relating to grants, expansions, and renewals of energy rights-of-way on tribal land.

SEC. 1814. MOBILITY OF SCIENTIFIC AND TECHNICAL PERSONNEL.

Not later than 2 years after the date of enactment of this section, the Secretary shall transmit to Congress a report that—

(1) identifies any policies or procedures of a contractor-operated National Laboratories or single-purpose research facility that create disincentives to the temporary or permanent transfer of scientific and technical personnel among the contractor-operated National Laboratories or contractor-operated single-purpose research facilities; and

(2) provides recommendations for improving interlaboratory exchange of scientific and technical personnel.

SEC. 1815. INTERAGENCY REVIEW OF COMPETITION IN THE WHOLESALE AND RETAIL MARKETS FOR ELECTRIC ENERGY.

(a) TASK FORCE.—There is established an interagency task force, known as the ‘‘Electric Energy Market Competition Task Force’’ (referred to in this section as the ‘‘task force’’), consisting of 5 members—

(1) of whom shall be an employee of the Department of Justice, to be appointed by the Attorney General of the United States;

(2) of whom shall be an employee of the Federal Energy Regulatory Commission, to be appointed by the Chairperson of that Commission;

(3) of whom shall be an employee of the Federal Trade Commission, to be appointed by the Chairperson of that Commission; and

(4) of whom shall be an employee of the Department, to be appointed by the Secretary; and
(5) 1 of whom shall be an employee of the Rural Utilities Service, to be appointed by the Secretary of Agriculture.

(b) STUDY AND REPORT.

(1) STUDY. The task force shall conduct a study and analysis of competition within the wholesale and retail market for electric energy in the United States.

(2) REPORT. (A) FINAL REPORT.—Not later than 1 year after the date of enactment of this Act, the task force shall submit to Congress a final report on the findings of the task force under paragraph (1).

(B) PUBLIC COMMENT.—Not later than the date that is 60 days before a final report is submitted to Congress under subparagraph (A), the task force shall—

(i) publish in the Federal Register a draft of the report; and

(ii) provide an opportunity for public comment on the report.

(c) CONSULTATION.—In conducting the study under subsection (b), the task force shall consult with and solicit comments from any advisory entity of the task force, the States, representatives of the electric power industry, and the public.

SEC. 1816. STUDY OF RAPID ELECTRICAL GRID RESTORATION.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study to assess the benefits of using mobile transformers and mobile substations to rapidly restore electrical service to areas subjected to blackouts as a result of—

(A) equipment failure;

(B) natural disasters;

(C) acts of terrorism; or

(D) war.

(b) CONTENTS.—The study under paragraph (1) shall contain an analysis of—

(1) the feasibility of using mobile transformers and mobile substations to rapidly restore electrical power to—

(i) military bases;

(ii) the Federal Government;

(iii) communications industries;

(iv) first responders; and

(v) other critical infrastructures, as determined by the Secretary;

(2) the quantity of mobile transformers and mobile substations necessary—

(i) to eliminate dependence on foreign sources for key electrical grid components in the United States;

(ii) to rapidly deploy technology to fully restore full electrical service to prioritized Governmental functions;

(iii) to identify manufacturing sources in existence on the date of enactment of this Act that have previously manufactured specialized mobile transformers or mobile substation products for Federal agencies.

(c) REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the President and Congress a report on the study under subsection (a).

(2) EXCERPTS.—The report shall include a description of the results of the analysis under subsection (a)(2).

SEC. 1817. STUDY OF DISTRIBUTED GENERATION.

(a) STUDY.—

(1) IN GENERAL.—

(A) POTENTIAL BENEFITS.—The Secretary, in consultation with the Federal Energy Regulatory Commission, shall conduct a study of the potential benefits of cogeneration and small power production.

(B) RECIPIENTS.—The benefits described in subparagraph (A) include benefits that are received directly or indirectly by—

(i) an electricity distribution or transmission service provider; and

(ii) other customers served by an electricity distribution or transmission service provider; and

(iii) the general public in the area served by the public utility in which the cogenerator or small power producer is located.

(b) INCLUSIONS.—The study shall include an analysis of—

(1) the potential benefits of—

(A) increased system reliability;

(B) improved power quality;

(C) the provision of ancillary services; and

(D) reduction of peak power requirements through onsite generation;

(2) an emergency supply of power; and

(3) offsets to investments in generation, transmission, or distribution facilities that would otherwise be recovered through rates;

(4) diminished land use effects and right-of-way acquisition costs; and

(5) reducing the vulnerability of a system to terrorism.

(c) PUBLIC COMMENT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report on the public comment, as the Secretary considers appropriate.

(d) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study and analysis of competition within the wholesale and retail market for electric energy in the United States.

(e) HEARINGS.—In preparing the report under subsection (a), the Secretary shall consult with—

(1) experts in natural gas supply and demand; and

(2) representatives of—

(A) State and local governments;

(B) tribal organizations;

(C) consumer and other organizations.

(f) STOPPERS.—In preparing the report under subsection (a), the Secretary may hold public hearings and provide other opportunities for public comment, as the Secretary considers appropriate.

SEC. 1818. NATURAL GAS SUPPLY SHORTAGE REPORT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report on natural gas supplies and demand.

(b) PURPOSE.—The purpose of the report under subsection (a) is to recommend procedures for achieving a balance between natural gas supply and demand in order to—

(1) provide residential consumers with natural gas at reasonable and stable prices;

(2) accommodate long-term maintenance and growth of domestic natural gas-dependent industries, manufacturing, and commercial enterprises;

(3) facilitate the attainment of national ambient air quality standards under the Clean Air Act (42 U.S.C. 7401 et seq.);

(4) achieve continued progress in reducing the emissions associated with electric power generation; and

(5) support the development of the preliminary phases of hydrogen-based energy technologies.

(c) COMPREHENSIVE ANALYSIS.—The report shall include a comprehensive analysis of—

(1) the replacement effects of new goods and services;

(2) international competition;

(3) workforce training requirements;

(4) multiple possible fuel cycles, including usage of rare materials;

(5) rates of market penetration of technologies; and

(6) regional variations based on geography.

(d) STOPPERS.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the findings, conclusions, and recommendations of the study under subsection (a).

SEC. 1820. OVERALL EMPLOYMENT IN A HYDROGEN ECONOMY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall carry out a study of the likely effects of a transition to a hydrogen economy on overall employment in the United States.

(b) CONTENTS.—The study shall include an analysis of—

(1) the replacement effects of new goods and services;

(2) international competition;

(3) workforce training requirements;

(4) multiple possible fuel cycles, including usage of rare materials;

(E) rates of market penetration of technologies; and

(F) regional variations based on geography.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the findings, conclusions, and recommendations of the study under subsection (a).

SEC. 1821. STUDY OF BEST MANAGEMENT PRACTICES FOR ENERGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Public Administration under which the
Academy shall conduct a study to assess management practices for research, development, and demonstration programs at the Department.

(b) SCOPE OF THE STUDY.—The study shall consider—

(1) management practices that act as barriers between the Office of Science and offices conducting mission-oriented research;

(2) opportunities for management practices that would improve coordination and bridge the innovation gap between the Office of Science and offices conducting mission-oriented research;

(3) the applicability of the management practices used by the Department of Defense Advanced Research Projects Agency to research programs at the Department of Energy;

(4) the advisability of creating an agency within the Department modeled after the Department of Defense Advanced Research Projects Agency;

(5) recommendations for management practices that could best encourage innovative research and efficiency at the Department; and

(6) any other relevant considerations.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report on the study conducted under this section.

SEC. 1824. ALTERNATIVE FUELS REPORTS.

Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences under which the National Academy of Sciences shall determine the effect that electrical contaminants (such as tin whiskers) may have on the reliability of energy production systems, including nuclear energy.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the potential for each biodiesel and hythane to become major, sustainable, alternative fuels.

(b) BIODIESEL REPORT.—The report relating to biodiesel submitted under subsection (a) shall—

(1) provide a detailed assessment of—

(A) potential biodiesel markets and manufacturing capacity; and

(B) environmental and energy security benefits with the use of biodiesel;

(2) identify any impediments, especially in infrastructure needed for production, distribution, and storage, to biodiesel becoming a substantial source of fuel for conventional diesel and heating oil applications;

(3) identify strategies to enhance the commercial deployment of biodiesel; and

(4) make suggestions and recommendations, as appropriate, of the ways in which biodiesel may be modified to be a cleaner-burning fuel.

(c) HYTHANE REPORT.—The report relating to hythane submitted under subsection (a) shall—

(1) provide a detailed assessment of potential hythane markets and the research and development necessary to facilitate the commercialization of hythane as a competitive, environmentally friendly transportation fuel;

(2) address—

(A) the infrastructure necessary to produce, blend, distribute, and store hythane for widespread commercial purposes; and

(B) technical and market barriers to the commercialization of hythane;

(3) examine the viability of producing hydrogen using energy-efficient, environmentally friendly methods so that the hydrogen can be blended with natural gas to produce hythane; and

(4) include an assessment of the modifications that would be necessary to convert compressed natural gas vehicle engines to engines that use hythane as fuel.

(d) GRANTS FOR REPORT COMPLETION.—The Secretary may use such sums as are available to the Secretary to provide, to 1 or more colleges or universities selected by the Secretary, grants for use in carrying out research to assist the Secretary in preparing the reports required to be submitted under subsection (a).

SEC. 1825. FUEL CELL AND HYDROGEN TECHNOLOGY STUDY.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences and the National Research Council to carry out a study of fuel cell technologies that provides a budget roadmap for the development of fuel cell technologies and the transition from petroleum to hydrogen in a significant percentage of vehicles sold by 2020.

(b) REQUIREMENTS.—In carrying out the study, the National Academy of Sciences and the National Research Council shall—

(1) establish a minimum percentage practicable of vehicles that the National Academy of Sciences and the National Research Council determines can be fueled by hydrogen by 2020;

(2) determine the amount of Federal and private funding required to meet the goal established under paragraph (1);

(3) determine the investments are required to meet the goal established under paragraph (1);

(4) examine the need for expanded and enhanced Federal research and development programs, changes in regulations, grant programs, partnerships between the Federal Government and industry, private sector investments, infrastructure investments by the Federal Government and industry, educational and public information initiatives, and Federal and State tax incentives to meet the goal established under paragraph (1);

(5) consider whether other technologies would be less expensive or could be more quickly implemented than fuel cell technologies to achieve significant reductions in carbon dioxide emissions;

(6) take into account any reports relating to fuel cell technologies and hydrogen-fueled vehicles, including—

(A) the report prepared by the National Academy of Engineering and the National Research Council in 2003 entitled ‘‘Hydrogen Economy: Opportunities, Costs, Barriers, and R&D Needs’’; and

(B) the report prepared by the U.S. Fuel Cell Council in 2004 entitled ‘‘Hydrogen: The Path Forward’’;

(7) consider the challenges, difficulties, and potential barriers to meeting the goal established under paragraph (1); and

(8) with respect to the budget roadmap—

(A) specify the amount of funding required on an annual basis from the Federal Government and industry to carry out the budget roadmap; and

(B) specify the advantages and disadvantages to moving toward the transition to hydrogen in vehicles in comparison to the timeline established by the budget roadmap.

SEC. 1826. PASSIVE SOLAR TECHNOLOGIES.

(a) DEFINITION OF PASSIVE SOLAR TECHNOLOGY.—The term ‘‘passive solar technology’’ means a passive solar technology, including daylighting, that—

(1) is used exclusively to avoid electricity use;

(2) can be metered to determine energy savings;

(b) STUDY.—The Secretary shall conduct a study to determine—

(1) the range of leveled costs of avoided electricity for passive solar technologies;

(2) the quantity of electricity displaced using passive solar technologies in the United States as of the date of enactment of this Act; and

(3) the projected energy savings from passive solar technologies in 5, 10, 15, 20, and 25 years after the date of enactment of this Act if—

(A) the incentives comparable to the incentives provided for electricity generation technologies were provided for passive solar technologies; and

(B) no new incentives for passive solar technologies were provided.

(c) REPORT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study under subsection (b).

SEC. 1827. STUDY OF LINK BETWEEN ENERGY SECURITY AND INCREASES IN VEHICLE MILES TRAVELED.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Secretary shall conduct a study to assess the implications on energy use and efficiency of land development patterns in the United States.

(b) SCOPE.—The study shall consider—

(1) the correlation, if any, between land development patterns and increases in vehicle miles traveled;

(2) whether petroleum use in the transportation sector can be reduced through changes in the design of development patterns;

(3) the potential benefits of—

(A) information and education programs for State and local officials (including planning officials) on the potential for energy savings through changes in land use, development, and infrastructure decisions; and

(B) incorporation of location efficiency models in transportation infrastructure planning and investments; and

(c) transportation policies and strategies to help transportation planners manage the demand for the number and length of vehicle trips, including trips that increase the viability of other means of travel; and

(4) such other considerations relating to the study as the National Academy of Sciences finds appropriate.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to the Secretary and Congress a report on the study conducted under this section.

SEC. 1828. SCIENCE STUDY ON CUMULATIVE IMPACTS OF MULTIPLE OFFSHORE LIQUEFIED NATURAL GAS FACILITIES.

(a) IN GENERAL.—The Secretary (in consultation with the National Oceanic Atmospheric Administration, the Commandant of the Coast Guard, affected recreational and commercial fishing industries, and affected energy and transportation stakeholders) shall carry out a study and compile existing science (including studies and data) to determine the risks or benefits presented by cumulative impacts of multiple offshore liquefied natural gas facilities reasonably assumed to be constructed in an area of the Gulf of Mexico using the open-rack vaporization system.

(b) ACCURACY.—In carrying out subsection (a), the Secretary shall verify the accuracy of available science and develop a science-based evaluation of significant short-term and long-term cumulative impacts of multiple offshore liquefied natural gas facilities reasonably assumed to be constructed in an area of the Gulf of Mexico using or proposing the open-rack vaporization system on the fisheries and marine populations in the vicinity of the facility.
SEC. 1829. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

(a) In General.—The Architect of the Capitol, as part of the process of updating the Master Plan Study for the Capitol complex, shall:

(1) carry out a study to evaluate the energy infrastructure of the Capitol complex to determine how to augment the infrastructure to become more energy efficient;

(A) by using unconventional and renewable energy sources;

(b) by—

(i) incorporating new technologies to implement effective green building solutions;

(ii) adopting computer-based building management systems; and

(iii) recommending strategies based on end-user behavioral changes to implement low-cost energy conservation measures.

(C) in a manner that would enable the Capitol complex to have reliable utility service in the event of power fluctuations, shortages, or outages;

(2) carry out a study to explore the feasibility of installing energy and water conservation measures on the rooftop of the Dirksen Senate Office Building, including the area directly above the food service facilities in the center of the building, including the installation of—

(A) a vegetative covering area, using native species to the maximum extent practicable, to—

(i) insulate and increase the energy efficiency of the building;

(ii) reduce precipitation runoff and conserve water for landscaping or other uses;

(iii) increase, and provide more efficient use of, available outdoor space through management of the rooftop of the center of the building as a park or garden area for occupants of the building; and

(iv) improve the aesthetics of the building; and

(B) onsite renewable energy and other state-of-the-art technologies to—

(i) improve the energy efficiency and energy security of the building or the Capitol complex by providing additional or backup sources of energy in the event of a power shortage or other emergency;

(ii) reduce the use of resources by the building;

or

(iii) enhance worker productivity; and

(3) after 180 days after the date of enactment of this Act, submit to Congress a report describing the findings and recommendations of the study under subparagraph (B).

(b) APPROPRIATIONS.—There is authorized to be appropriated to the Architect of the Capitol to carry out this section $2,000,000 for each of fiscal years 2006 through 2010.

SEC. 1830. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) In General.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers in the energy, technology, and mineral security requirements of the United States.

(b) INCLUSIONS.—The study shall include an analysis of—

(1) the need for and availability of workers for the oil, gas, and mineral industries;

(2) the availability of skilled labor at both entry level and more senior levels; and

(3) reporting recommendations for future job actions needed to meet future labor requirements.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

SEC. 1831. REVIEW OF ENERGY POLICY ACT OF 1992 PROGRAMS.

(a) In General.—Not later than 180 days after the date of enactment of this section, the Secretary shall complete a study to determine the effect that titles III, IV, and V of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.) have had on—

(1) the development of alternative fueled vehicle technologies;

(2) the availability of that technology in the market; and

(3) the cost of alternative fueled vehicles.

(b) TOPICS.—As part of the study under section (a), the Secretary shall specifically identify—

(1) the number of alternative fueled vehicles acquired by fleets or covered persons required to acquire alternative fueled vehicles;

(2) the quantity, by type, of alternative fuel actually used in alternative fueled vehicles acquired by fleets or covered persons;

(3) the quantity of petroleum displaced by the use of alternative fueled vehicles; and

(4) the direct and indirect costs of compliance with requirements under titles III, IV, and V of the Energy Policy Act of 1992 (42 U.S.C. 13211 et seq.), including—

(A) vehicle acquisition requirements imposed on fleets or covered persons;

(B) administrative and recordkeeping expenses;

(C) fuel and fuel infrastructure costs;

(D) associated training and employee expenses; and

(E) any other factors or expenses the Secretary determines to be necessary to compile reliable estimates of the overall costs and benefits of complying with programs under those titles for fleets, covered persons, and the national economy.

(5) the existence of obstacles preventing compliance with vehicle acquisition requirements and increased use of alternative fuel in alternative fueled vehicles acquired by fleets or covered persons; and


(c) REPORT.—The Secretary shall submit to Congress a report that describes the results of the study and includes any recommendations of the study and includes any recommendations of the study and includes any recommendations of the study and includes any recommendations of any suggested legislative or regulatory changes.

SEC. 1832. STUDY ON THE BENEFITS OF ECONOMIC DISPATCH.

(a) STUDY.—In consultation with the States, the Secretary shall conduct a study on—

(1) the procedures currently used by electric utilities to provide dispatchability to the grid and the costs and benefits of using alternative fuel in generating power;

(2) identifying possible revisions to those procedures to improve the ability of nonutility generation resources to offer their output for sale for the purpose of inclusion in economic dispatch;

(3) the potential benefits to residential, commercial, and industrial electricity consumers nation-wide of economic dispatch, and economic dispatch prices; and

(b) REPORT.—The Secretary shall submit to Congress a report that describes the results of the study and includes any recommendations of the study and includes any recommendations of any suggested legislative or regulatory changes.

SEC. 1833. RENEWABLE ENERGY ON FEDERAL LANDS.

(a) NATIONAL ACADEMY OF SCIENCES STUDY.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall enter into a contract with the National Academy of Sciences under which the National Academy of Sciences shall—

(1) study the potential of developing wind, solar, and ocean energy resources (including tidal, wave, and thermal energy) on Federal land available for those uses under current law and the Outer Continental Shelf;

(2) assess any Federal law (including regulations) relating to the development of those resources that is in existence on the date of enactment of this Act; and

(3) recommend statutory and regulatory mechanisms for developing those resources.

(b) SUBMISSION TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress the results of the study under subsection (a).

SEC. 1834. INCREASED HYDROELECTRIC GENERATION AT EXISTING FEDERAL FACILITIES.

(a) In General.—The Secretary of the Interior, the Secretary, and the Secretary of the Army shall jointly conduct a study of the potential for increasing electric power production at federally owned or operated water regulation, storage, and conveyance facilities.

(b) CONTENT.—The study under this section shall include identification and description in detail of each facility or group of facilities that might be increased or expanded without modification, of producing additional hydroelectric power, including estimation of the existing potential for the facility to generate hydroelectric power.

(c) REPORT.—The Secretary shall submit to the Committees on Energy and Commerce, Resources, and Transportation and Infrastructure of the House of Representatives and the Committees on Energy and Natural Resources of the Senate a report on the findings, conclusions, and recommendations under this section by not later than 18 months after the date of the enactment of this Act. The report shall include each of the following:

(1) The identifications, descriptions, and estimations referred to in subsection (b).

(2) A description of activities currently conducted or considered, or that could be considered, to produce additional hydroelectric power from each identified facility.

(3) A summary of prior actions taken by the Secretary to produce additional hydroelectric power from each identified facility.

(4) The costs to install, upgrade, or modify equipment or take other actions to produce additional hydroelectric power from each facility.

(5) The benefits that would be achieved by such installation, upgrade, modification, or other action, including quantified estimates of any additional energy or capacity from each facility identified under subsection (b).

(6) An identification of, and information regarding, any activities that are planned, underway, or might reasonably be considered to increase hydroelectric power production by replacing turbine runners, by performing generator or rotor rewinds, or construction of pumped storage facilities.

(7) The impact of increased hydroelectric power production on irrigation, water supply, fish, wildlife, Indian tribes, river health, water quality, navigation, recreation, fishing, and flood control.

(8) Any additional recommendations to increase hydroelectric power production from, and reduce costs and improve efficiency at, federally owned or operated water regulation, storage, and conveyance facilities.

SEC. 1835. SPLIT-ESTATE FEDERAL OIL AND GAS LEASING AND DEVELOPMENT PRACTICES.

(a) REVIEW.—In consultation with affected private surface owners, oil and gas industry, and other interested parties, the Secretary of the
Interior shall undertake a review of the current policies and practices with respect to management of Federal subsurface oil and gas development activities and their effects on the privately owned surface estate, shall include—

(1) a comparison of the rights and responsibilities under existing mineral and land laws for the owner of a Federal mineral lease, the private surface estate, and the Federal Department;

(2) a comparison of the surface owner consent provisions in section 714 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1304) concerning surface mining of Federal coal deposits and the surface owner consent provisions for oil and gas development, including coalbed gas production; and

(3) recommendations for administrative or legislative action necessary to facilitate reasonable access for Federal oil and gas activities while addressing surface owner concerns and minimizes impacts to private surface.

(b) Report.—The Secretary of the Interior shall report the results of such review to Congress not later than 180 days after the date of enactment of this Act.

SEC. 1836. RESOLUTION OF FEDERAL RESOURCE CONFLICTS IN THE POWDER RIVER BASIN.

(a) Review.—The Secretary of the Interior shall review Federal and State laws in existence on the date of enactment of this Act in order to resolve any conflict relating to the Powder River Basin in Wyoming and Montana between—

(1) the development of Federal coal; and

(2) the development of Federal and non-Federal coal-based methane.

(b) Report.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a report that—

(1) describes methods of resolving a conflict described in subsection (a); and

(2) identifies a method preferred by the Secretary of the Interior, including proposed legislative language, if any, required to implement the necessary changes.

SEC. 1837. NATIONAL SECURITY REVIEW OF INTERNATIONAL ENERGY REQUIREMENTS.

(a) Study.—The Secretary, in consultation with the Secretary of Defense and the Secretary of Homeland Security, shall conduct a study of the growing energy requirements of the People’s Republic of China and the implications of such growth on the political, strategic, economic, or national security interests of the United States, including—

(1) an assessment of the type, nationality, and location of energy assets that have been sought for investment by entities located in the People’s Republic of China;

(2) an assessment of the extent to which investment in energy assets by entities located in the People’s Republic of China has been on market-based terms and free from subsidies from the People’s Republic of China;

(3) an assessment of the effect of investment in energy assets by entities located in the People’s Republic of China on the control by the United States of dual-use and export-controlled technologies, including the effect on current and future United States dual-use and export-controlled technologies and the effects of any such technologies on the United States;

(4) an assessment of the relationship between the Government of the People’s Republic of China and energy-related businesses located in the People’s Republic of China;

(5) an assessment of the impact on the world energy market of the common practice of entities located in the People’s Republic of China of removing the energy assets owned or controlled by such entities from the competitive market, with emphasis on the effect if such practice expands along with the growth in energy consumption of the People’s Republic of China;

(6) an examination of the United States energy policy and foreign policy as it relates to ensuring a competitive global energy market; and

(7) an examination of the relationship between the United States and the People’s Republic of China as it relates to pursuing energy interests in a manner that avoids conflicts; and

(b) Report.—Not later than 120 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense, shall report to the President and Congress on the findings of the study described in subsection (a) and any recommendations the Secretary considers appropriate.

(c) Regulatory Effect.—Notwithstanding any other provision of law, any instrumentality of the United States vested with authority to review a transaction that includes an investment in a United States domestic corporation may not conclude a national security review related to an investment in the energy assets of a United States domestic corporation by an entity owned or controlled by the Government of the People’s Republic of China for 21 days after the report to the President and the Congress, and until the President certifies that has received the report described in subsection (b).

SEC. 1838. USED OIL RE-FINING STUDY.

The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall undertake a study of the energy and environmental benefits of the re-refining of used lubricating oil and report to Congress with—

(1) an identification of potential hydroelectric projects that have not been completed or authorized; and

(2) the level of analyses conducted at the feasibility level.

SEC. 1839. TRANSMISSION SYSTEM MONITORING.

Within 6 months after the date of enactment of this Act, the Secretary and the Federal Energy Regulatory Commission shall study and report to Congress on the steps which must be taken to establish a system to make available to all transmission system owners and Regional Transmission Organizations (as defined in the Federal Power Act) within the Eastern and Western interconnections information on the functional status of all transmission lines within such Interconnections. In such study, the Commission shall provide technical means for implementing such transmission information system and identify the steps the Commission or Congress must take to require the implementation of such system.

SEC. 1840. REPORT IDENTIFYING AND DESCRIBING THE STATUS OF POTENTIAL HYDROPOWER FACILITIES.

(a) Report.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Bureau of Reclamation, shall submit to the Committees on Appropriations of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report identifying and describing the status of potential hydropower facilities included in water surface storage studies undertaken by the Secretary for projects that have not been completed or authorized for construction.

(b) Report Contents.—The report shall include the following:

(1) Identification of all surface storage studies authorized by Congress since the enactment of the Reclamation Project Act of 1939 (43 U.S.C. 485 et seq.).

(2) The purposes of each project included within each study identified under paragraph (1).

(3) The status of each study identified under paragraph (1), including for each study—

(A) whether the study is completed or, if not completed, still authorized;

(B) the level of analyses conducted at the feasibility and reconnaissance levels of review; and

(C) the expected environmental impact of each project included in the study, including to fish and wildlife, water quality, and recreation;

(D) projected water yield from each such project;

(E) beneficiaries of each such project;

(F) the amount authorized and expended;

(G) projected funding needs and timelines for completing the study (if applicable);

(H) anticipated costs of each such project; and

(I) other factors that might interfere with construction of such project.

(4) An identification of potential hydroelectric facilities that might be developed pursuant to each study identified under paragraph (1).

(5) Applicable costs and benefits associated with potential hydroelectric production pursuant to each study.

And the Senate agree to the same.

From the Committee on Energy and Commerce, for consideration of the House bill and the Senate amendment, and modifications to conference:

JOE BARTON,
RALPH M. HALL,
MICHAEL G. OXLEY,
FRED UPTON,
CLIFF STEARNS,
PAUL SUEY
JOHN SHIMkus,
JOHN SHADEGG,
CHIP PICKERING,
ROY BLUNT,
CHARLES F. BASS,
JOHN D. DINGELL,
RICK BOUCHER,
BART STUPAK,
ALBERT R. WYNn.
From the Committee on Agriculture, for consideration of secs. 352, 341, 346, 1701, 1806, 1904, 2029, and 2030 of the House bill, and secs. 251–253, 264, 303, 319, 342, 343, 345, and 347 of the Senate amendment, and modifications committed to conference:

BOB GOODLATTE,
FRANK D. LUCAS,
COLLIN C. PETERSON,
From the Committee on Armed Services, for consideration of secs. 101, 601–607, 609–612, and 661 of the House bill, and secs. 104, 281, 601–607, 609, 610, 625, 741–743, 1005, and 1006 of the Senate amendment, and modifications committed to conference:

DUNCAN HUNTER,
CURT WELDON,
IKE SKELTON,
From the Committee on Education and the Workforce, for consideration of secs. 121, 632, 640, 2206, and 2209 of the House bill, and secs. 625, 1103, 1104, and 1106 of the Senate amendment, and modifications committed to conference:

CHARLIE NORWOOD,
SAM JOHNSON,
From the Committee on Financial Services, for consideration of secs. 141–149 of the House bill, and secs. 161–164 and 505 of the Senate amendment, and modifications committed to conference:

MICHAEL G. OXLEY,
BOB NEY,
From the Committee on Government Reform, for consideration of secs. 102, 104, 105, 203, 205, 502, 624, 632, 701, 704, 1002, 1227, and 2304 of the House bill, and secs. 102, 104, 105, 108, 203, 502, 625, 701–703, 723–725, 741–743, 939, and 1011 of the Senate amendment, and modifications committed to conference:

TOM DAVIS,
DARRELL ISSA,
DORIS G. WATSON,
From the Committee on the Judiciary, for consideration of secs. 320, 377, 612, 625, 632,
July 27, 2005

663, 665, 1221, 1265, 1270, 1283, 1442, 1502, and
2208 of the House bill, and secs. 137, 211, 328,
384, 389, 625, 1221, 1264, 1269, 1270, 1275, 1280,
and 1402 of the Senate amendment, and
modifications committed to conference:
F. JAMES SENSENBRENNER,
Jr.,
STEVE CHABOT,
From the Committee on Resources, for consideration of secs. 204, 231, 330, 344, 346, 355,
358, 377, 379, Title V, secs. 969–976, 1701, 1702,
Title XVIII, secs. 1902, 2001–2019, 2022–2031,
2033, 2041, 2042, 2051–2055, Title XXI, Title
XXII, and Title XXIV of the House bill, and
323, 326, 327, 342–346, 348, 371, 387, 391, 411–414,
416, and 501–506 of the Senate amendment,
and modifications committed to conference:
RICHARD POMBO,
BARBARA CUBIN,
NICK RAHALL,
From the Committee on Rules, for consideration of sec. 713 of the Senate amendment,
and modifications committed to conference:
DAVID DREIER,
LINCOLN DIAZ-BALART,
LOUISE SLAUGHTER,
From the Committee on Science, for consideration of secs. 108, 126, 205, 209, 302, 401–404,
411, 416, 441, 601–607, 609–612, 631, 651, 652, 661,
711, 712, 721–724, 731, 741–744, 751, 754, 757, 759,
801–811, Title IX, secs. 1002, 1225–1227, 1451,
1452, 1701, 1820, and Title XXIV of the House
bill, and secs. 125, 126, 142, 212, 230–232, 251–
253, 302, 318, 327, 346, 401–407, 415, 503, 601–607,
609, 610, 624, 631–635, 706, 721, 722, 725, 731, 734,
751, 752, 757, 801, Title IX, Title X, secs. 1102,
1103, 1105, 1106, 1224, Title XIV, secs. 1601,
1602, and 1611 of the Senate amendment, and
modifications committed to conference:
SHERWOOD BOEHLERT,
JUDY BIGGERT,
BART GORDON,
Provided that Mr. Costello is appointed in
lieu of Mr. Gordon for consideration of secs.
401–404, 411, 416, and 441 of the House bill, and
secs. 401–407 and 415 of the Senate amendment, and modifications committed to conference:
JERRY F. COSTELLO,
From the Committee on Transportation and
Infrastructure, for consideration of secs. 101–
103, 105, 108, 109, 137, 205, 208, 231, 241, 242, 320,
758, 811, 1211, 1221, 1231, 1234, 1236, 1241, 1281–
1283, 1285, 1295, 1442, 1446, 2008, 2010, 2026, 2029,
2030, 2207, and 2210 of the House bill, and secs.
733, 752, 1211, 1221, 1231, 1233, 1235, 1261, 1263,
1266, and 1291 of the Senate amendment, and
modifications committed to conference:
DON YOUNG,
TOM PETRI,
From the Committee on Ways and Means, for
consideration of Title XII of the House bill,
and secs. 135, 405, Title XV, and sec. 1611 of
the Senate amendment, and modifications
committed to conference:
WILLIAM THOMAS,
DAVE CAMP,
Managers on the Part of the House.
PETE DOMENICI,
LARRY E. CRAIG,
CRAIG THOMAS,

VerDate Aug 04 2004

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CONGRESSIONAL RECORD — HOUSE

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LAMAR ALEXANDER,
LISA MURKOWSKI,
JEFF BINGAMAN,
DANIEL D. AKAKA,
BYRON L. DORGAN,
RICHARD M. BURR,
TIM JOHNSON,
CHUCK GRASSLEY,
ORRIN HATCH,
MAX BAUCUS,
Managers on the Part of the Senate.
JOINT EXPLANATORY STATEMENT OF
THE COMMITTEE OF CONFERENCE
The Managers on the part of the House and
Senate at the conference on the disagreeing
votes of the two Houses on the amendment
of the Senate to the bill H.R. 6, to ensure
jobs for our future with secure, affordable,
and reliable energy, submit the following
joint statement to the House and the Senate
in explanation of the effect of the action
agreed upon by the Managers and recommended in the accompanying conference
report:
The Senate amendment to the text of the
bill struck all of the House bill after the enacting clause, and inserted a substitute text.
The House recess from its disagreement to
the amendment of the Senate with an
amendment that is a substitute for the
House bill and the Senate amendment.
The mangers on the Part of the House and
Senate met on July 14, July 19, July 21, July
24, and July 25, 2005.
From the Committee on Energy and Commerce, for consideration of the House bill
and the Senate amendment, and modifications committed to conference:
JOE BARTON,
RALPH M. HALL,
MIKE BILIRAKIS,
FRED UPTON,
CLIFF STEARNS,
PAUL GILLMAR,
JOHN SHIMKUS,
JOHN SHADEGG,
CHIP PICKERING,
ROY BLUNT,
CHARLES F. BASS,
JOHN D. DINGELL,
RICH BOUCHER,
BART STUPAK,
ALBERT R. WYNN,
From the Committee on Agriculture, for
consideration of secs. 332, 344, 346, 1701, 1806,
2008, 2019, 2024, 2029, and 2030 of the House
bill, and secs. 251–253, 264, 303, 319, 342, 343,
345, and 347 of the Senate amendment, and
modifications committed to conference:
BOB GOODLATTE,
FRANK D. LUCAS,
COLLIN C. PETERSON,
From the Committee on Armed Services, for
consideration of secs. 104, 231, 601–607, 609–612,
and 661 of the House bill, and secs. 104, 281,
601–607, 609, 625, 741–743, 1005, and 1006 of the
Senate amendment, and modifications committed to conference:
DUNCAN HUNTER,
CURT WELDON,
IKE SKELTON,
From the Committee on Education and the
Workforce, for consideration of secs. 121, 632,
640, 2206, and 2209 of the House bill, and secs.

PO 00000

Frm 00183

Fmt 7634

Sfmt 0634

625, 1103, 1104, and 1106 of the Senate amendment, and modifications committed to conference:
CHARLIE NORWOOD,
SAM JOHNSON,
From the Committee on Financial Services,
for consideration of secs. 141–149, of the
House bill, and secs. 161–164, and 505 of the
Senate amendment, and modifications committed to conference:
MICHAEL G. OXLEY,
BOB NEY,
From the Committee on Government Reform, for consideration of secs. 102, 104, 105,
203, 205, 502, 624, 632, 701, 704, 1002, 1227, and
2304 of the House bill, and secs. 102, 104, 105,
108, 203, 502, 625, 701–703, 723–725, 741–743, 939,
and 1011 of the Senate amendment, and
modifications committed to conference:
TOM DAVIS,
DARRELL ISSA,
DIANE E. WATSON,
From the Committee on Judiciary, for consideration of secs. 320, 377, 612, 625, 632, 663,
665, 1221, 1265, 1270, 1283, 1442, 1502, and 2208 of
the House bill, and secs. 137, 211, 328, 384, 389,
625, 1221, 1264, 1269, 1270, 1275, 1280, and 1402 of
the Senate amendment, and modifications
committed to conference:
F. JAMES SENSENBRENNER
Jr.,
STEVE CHABOT,
From the Committee on Resources, for consideration of secs. 204, 231, 330, 344, 346, 355,
358, 377, 379, Title V, secs. 969–976, 1701, 1702,
Title XVII, secs. 1902, 2001–2019, 2022–2031,
2033, 2041, 2042, 2051–2055, Title XXI, Title
XXII, and Title XXIV of the House bill, and
323, 326, 327, 342–346, 348, 371, 387, 391, 411–414,
416, and 501–506 of the Senate amendment,
and modifications committed to conference:
RICHARD POMBO,
BARBARA CUBIN,
NICK RAHALL,
From the Committee on Rules, for consideration of secs. 713 of the Senate amendment,
and modifications committed to conference:
DAVID DREIER,
LINCOLN DIAZ-BALART,
LOUISE SLAUGTER,
From the Committee on Science, for consideration of secs. 108, 126, 205, 209, 302, 401–404,
411, 416, 441, 601–607, 609–612, 631, 651, 652, 661,
711, 712, 721–724, 731, 741–744, 751, 754, 757, 759,
801–811, Title IX, secs. 1002, 1225–1777, 1451,
1452, 1701, 1820, and Title XXIV of the House
bill, and secs. 125, 126, 142, 212, 230–232, 251–
253, 302, 318, 327, 346, 401–407, 415, 503, 601–607,
609, 610, 624, 631–635, 706, 721, 722, 725, 731, 734,
751, 752, 757, 801, Title IX, Title X, secs. 1102,
1103, 1105, 1106, 1224, Title XIV, secs. 1601,
1602, and 1611 of the Senate amendment, and
modifications committed to conference:
SHERWOOD BOEHLERT,
JUDY BIGGERT,
BART GORDON,
Provided that Mr. Costello is appointed in
lieu of Mr. Gordon for consideration of secs.
401–404, 411, 416, and 441 of the House bill, and
secs. 401–407 and 415 of the Senate amendment, and modifications committed to conference:
JERRY F. COSTELLO,

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DON YOUNG,

From the Committee on Ways and Means, for consideration of Title XIII of the House bill, and secs. 135, 405, Title XV, and sec. 1611 of the Senate amendment, and modifications committed to conference:

WILLIAM THOMAS,
DAVE CAMP,
Managers on the Part of the House.

PETE DOMENICI,
LARRY E. CRAIG,
Managers on the Part of the Senate.

NOTICE
Incomplete record of House proceedings.
Today’s House proceedings will be continued in Book II.
The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. STEVENS].

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, You have challenged us to become like children in order to enter Your kingdom. Today give us a child’s trust, that we may find joy in Your guidance. Give us a child’s wonder, that we may never take for granted the Earth’s beauty and the sky’s glory. Give us a child’s love, that we may find our greatest joy in being close to You. Give us a child’s humility, that we will trust Your wisdom to order our steps.

Guide our Senators and those who support them through the challenges of this day. As they look to You for wisdom, supply their needs according to Your infinite riches.

We pray in Your righteous Name. Amen.

PLEDGE OF ALLEGIANCE

The President pro tempore led the Pledge of Allegiance, as follows:

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

RESERVATION OF LEADER TIME

The President pro tempore. Under the previous order, the leadership time is reserved.

PROTECTION OF LAWFUL COMMERCE IN ARMS ACT—MOTION TO PROCEED

The President pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 397, which the clerk will report.

The legislative clerk read as follows: A bill (S. 397) to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

The President pro tempore. Under the previous order, the time from 10 to 2 p.m. shall be equally divided, with the majority in control of the first hour and the Democrats in control of the second hour, rotating in that fashion until 2 p.m.

RECOGNITION OF THE MAJORITY LEADER

The President pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we are returning to the motion to proceed to the Protection of Lawful Commerce in Arms Act, otherwise known as the gun manufacturers liability legislation. Yesterday we invoked cloture on the motion to proceed. We now have an order to begin the bill at 2 p.m. today. The debate will be equally divided until 2 o’clock today. I understand a rollover vote will not be necessary, and we will have a voice vote at 2 p.m. and then be on the bill.

Senators can expect a cloture vote on the underlying bill to occur on Friday, unless we change that time by consent. As I stated repeatedly over the last several days, we are going to have a very busy session as we address a range of issues, including energy and highways and the Interior funding bill, the gun manufacturers liability bill, veterans funding, nominations, and other issues.

Just a quick update on several of these. In terms of the Energy bill, after 5 years of hard work, the energy conferees are now done. I expect that that legislation will be filed shortly. This is a major accomplishment that will cause serious and dramatic changes in how we produce, deliver, and consume energy. We simply would not be at this point without the hard work, the perseverance, and the patience of Senator DOMENICI and his partner, Senator BINGAMAN, as well as Congressman BARTON. We will pass that conference report this week. Our country will be all the better for it.

I was talking to the Secretary of Energy earlier this morning. We were discussing the absolute importance of passing this bill to establish a framework of policy from this legislative body. He again referred to the great good this bill will do.

On highways, it has taken this Congress 3 tough years of work to come to this point, but with just a little more work, we will have a bill that the President will sign. Our conferees are working and should complete the writing of it today. I spent time with several of the conferees yesterday and with the Speaker, as we coordinate completion of this highway bill.

The good news for the American people is, as they see what is sometimes confusing on the floor of the Senate as these bills come in, this particular highway bill will make our streets and our highways safer. It will make our economy more productive. It will create many new jobs.

I mentioned veterans funding. Yesterday, the House and Senate majority agreed to ensure that $1.5 billion of needed funding will be given to the Department of Veterans Affairs this fiscal year. Veterans can be assured that their health care will remain funded. I know it is confusing what you hear on the floor, but that action is being taken.

I mentioned Interior funding. Yesterday both Houses agreed to fund many of the programs that affect many of our public lands held in trust for Americans throughout the country. We intend to complete action on this conference report this week as well.

Late last night, the conferees completed work on the Legislative Branch appropriations bill, and we will be attempting to clear that legislation as well this week.
I mentioned all these to give my colleagues an update because there is so much activity going on right now, in addition to the very important legislation that is on the floor.

After several months of aggressive work, we can now look back and say that we have brought the Cabinet full strength for the President's second term in effect. We have accomplished very important class action legislation, after many, many years and years and years of delay. We finished bankruptcy reform, which we have worked on in the Congress, both Houses, since the late 1990s. We completed writing one of the fastest budgets in congressional history with the goal, they might not think, the most important item I have mentioned. There is a problem, the cost of health care, as well as the safety and quality of health care. We are going to be doing that. You do that by improving quality and getting rid of waste, and we are doing just that.

I am pleased to report that after years of challenging work, difficult work, and a lot of negotiation among ourselves on both sides of the aisle, the House is expected to join the Senate in passing a bill called the Patient Safety and Quality Improvement Act. I am hopeful they will pass that bill today. We passed it not too long ago. I mention it because it focuses on getting waste out of the system, and it does so by putting the emphasis on patients. A patient-centered system is what I strongly believe we need to move to in the future. This does just that. Patient safety is something that concerns me. We have an obligation, as physicians, as nurses, as the health care sector, but also as a public policy body, to make sure that patient safety is maximized. People say: Of course, you do. But if you look back at the Institute of Medicine's report not too long ago that really started a lot of this debate, they estimated that up to 98,000 deaths are caused each year by medical errors. That would mean that of the 1.45 million deaths, that are occurring every day in hospitals and clinics, and even at home when people are taking medicines, the eighth leading cause of death each year. That is more than car accidents, HIV/AIDS, or breast cancer. People dispute the number. Is it 98,000? Is it 125,000? Is it 75,000? The exact number doesn't matter. The fact that there are thousands and thousands of needless deaths being caused is inexcusable. This body has acted. The House will act. And I am hopeful the President will be able to sign that important legislation in the next several days. What is so obvious to me as a physician, having spent 20 years in the medical arena, every day in the healing profession, is that the tragedy of all these deaths is compounded by the fact that these deaths and the many errors that result in prolonged hospitalization, more misery, greater cost, can be prevented. We can prevent that. Simple reporting procedures, sharing of information, improved technology, a system approach—all can reduce these preventable errors, and thereby improve hundreds of thousands of lives and actually save tens of thousands of lives. What is so obvious to me is that we have to move to a patient-centered system. It is a system that we have to develop a system to keep it from happening in the future. We all do that in our everyday lives.

For example, in hospitals, there is a tendency not to do that because if you share your mistake, there is a predatory trial lawyer who will swoop in and find that error and take you to court and destroy you and the system. It is human nature to say, if that is the case. Yes, I made a mistake, I will admit it, but I am not going to share it because it will destroy my future. People are afraid of sharing their internal data, such as their collection of reports of infections that could have been prevented with preventable techniques or a medical error that might expose them to a ruinous lawsuit. That drives the reporting of these medical errors underground. The bill will change all of that, and it will lift this threat of litigation and age-old, uninformed in the aviation industry—mechanics, pilots, air traffic controllers, flight attendants, and the general public—to voluntarily report—I remember the blue cards you reported on—potential or actual safety problems, and you could do so without fear of recrimination.

That is why this voluntary aspect is so important. Because that information in the aviation field was shared internally and with others, accidents went down and overall safety shot up dramatically. Everyone improved. Quality improved and safety improved by learning from others. The patient safety bill that is before the Senate today—the same bill that passed in this body last Thursday—promises exactly the same kind of benefits, in parallel, that were passed in 1975, and this is 2005, 30 years later than it should have been.

The provision of this legislation that hospitals and physicians and other health professionals will be able to share this information about their practices with independent PSOs, or patient safety organizations, without the fear of lawsuits, and this transparency will improve quality.

America has the absolute best health care in the world. I have seen it by...
doing heart transplants, using the best of lasers to resect tumors out of the trachea or windpipe, and with developing ventricular assist devices. I was in Tanzania some weeks ago working at a small clinic out in the bush, and when you think about American patients who have the most advanced health care in the world, with new treatments and techniques, improving millions of lives every day.

Through this bill, we are putting that same sort of American ingenuity to work to improve patient safety in hospitals and clinics and thus getting rid of waste and improving the overall quality of care. This bill is a major step forward to making health care safer and less costly, driving up the quality, driving down costs, and getting out the waste.

I can tell you, this is the first major health bill in this Congress. But I hope in the very near future we will pass other important legislation we are working on in a similarly bipartisan way—namely, information technology to have privacy-protected, electronic medical records available to everybody who wants it. It is a bipartisan effort. We have come a long way, and I am optimistic that we can do that in the near future.

We are establishing interoperability standards—working with the private sector to establish interoperability standards which will allow the 6,000 hospitals and 900,000 physicians out there to be able to communicate in a seamless way, with privacy-protected information. Again, it is another bill that would get rid of waste, drive down the cost of health care, and improve quality.

I am excited about these health initiatives. I thank my colleagues who have specifically been involved in this bill, including Chairman Mike Enzi, Senator Judd Gregg, Senator Jim Jeffords, who has been at it as long as anybody. This particular bill on patient safety—and, of course, Senator Ted Kennedy. On the House side, Chairman Joe Barton and ranking member John Dingell have done a tremendous job as well shepherding through the Patient Safety and Quality Improvement Act. We are saving lives and moving American medicine forward.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I understand that the Republican side has from 10 until 11, is that correct, under the unanimous consent agreement?

The PRESIDENT pro tempore. That is correct. The first hour is under the control of the majority, the second hour is under the control of the minority, and it reverts back to the majority and then the minority.

Mr. CRAIG. Mr. President, I send to the desk a list of 61 cosponsors of S. 397, the Protection of Lawful Commerce in Arms Act that is currently pending before the Senate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COSPONSORS, BY DATE

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<th>Date</th>
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<td>2/16/2005</td>
<td>Sen. Baucus, Max [D–MT]</td>
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<td>Sen. Rockefeller, John D. [D–WV]</td>
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Mr. CRAIG. Mr. President, I know that I sent that list of cosponsors to the desk to demonstrate to all of our colleagues that 61 Senators—50 plus myself—are now in support of the legislation that is pending before the Senate that we will move to active consideration of this afternoon at 2 o’clock. I think it demonstrates to all of us the broad, bipartisan support this legislation has accumulated and that the time for S. 397 has arrived.

This legislation prohibits one narrow category of lawsuits: suits against the firearms industry for damages resulting from the criminal or unlawful misuse of a firearm or ammunition by a third party.

It is very important for everybody to understand that it is that and nothing more. This legislation is not aimed at bankrupting the firearms industry. The courts of our Nation are supposed to be a forum for resolving controversies between citizens and providing relief where it is warranted, not a mechanism for achieving political ends or to put people’s representatives, the Congress of the United States.

Time and time again down through history, that rejection has occurred on this floor and the floor of the other body.

Interest groups, knowing that clear well, have now chosen the court route to attempt to destroy this very valuable industry in our country.

Two dozen suits have been filed on a variety of theories, but all seek the same goal of forcing law-abiding businesses selling a legal product to pay for damages from the criminal misuse of that product. I must say, if the trial bar wins here, the next step could be another industry and another product.

While half of these lawsuits have already been fully and finally dismissed, other cases are still on appeal and pending. Hundreds of millions of dollars still hang over the bill because it does not protect firearms industry.

This bill gives specific examples of lawsuits not prohibited—product liability negligence or negligent entrustment, breach of contract, lawsuits based on violations of States and Federal law. And yet, we already heard the arguments on the floor yesterday, and I am quite confident we will hear them again today, that this is a sweeping approach toward creating immunity for the firearms industry.

I repeat for those who question it, read the bill and read it thoroughly. It is not a long bill. It is very clear and very specific.

The trend of abusive litigation targeting the firearms industry not only defies common sense and concepts of fundamental fairness, but it would do nothing to curb criminal gun violence. Furthermore, it threatens a domestic industry that is critical to our national defense, jeopardizes hundreds of thousands of good-paying jobs, and puts at risk access Americans have to a legal product used for hundreds of years across this Nation for lawful purposes, such as recreation and self-defense.

Thirty-three States enacted similar gun lawsuit bans or civil liability provisions to date. This legislation prohibits one narrow category of lawsuits: suits against the firearms industry for damages resulting from the criminal or unlawful misuse of a firearm or ammunition by a third party.
States, because of our silence, have felt it necessary to speak up to protect law-abiding citizens from this misuse of our courts.

Yesterday, opponents repeatedly charged that negligent businesses and people could be held liable under this bill. I was even stated that this bill would bar virtually all negligence and product liability cases in States and Federal courts. I repeat, nothing can be further from the truth. For those who come to this floor to make that charge, my challenge to them is to read the bill. Obviously they have not. They are simply following the script of the anti-gun community of this Nation. That is not fair to Senators on this floor to be allowed to believe what this legislation simply does not nor does it say.

The bill affirmatively allows lawsuits brought against the gun industry when they have been negligent. The bill affirmatively allows product liability actions. Any manufacturer, distributor, or dealer who knowingly violates any State or Federal law can be held civilly liable under the bill. This bill does not shut the courthouse door.

Under S. 397, plaintiffs will have the opportunity to argue that their case falls within the definition, such as violations of Federal and State law, negligent entrustment, knowingly transferring to a dangerous person. That is what that all means, that you have knowingly sold a firearm to a person who cannot legally have it. If you have reason to believe could use it for some purpose other than intended. That all comes under the current definition of Federal law.

Breath of contract or the warranty or the manufacturer or sale of a defective product—these are all well-accepted legal principles, and they are protected by this bill. Current cases where a manufacturer, distributor, or dealer knowingly violates a State or Federal law will be heard out.

Opponents have complained about the Senate considering this bill at the same time and even have impugned the motives of the Senators who support it. The votes yesterday speak for themselves. Sixty-six Senators said it is time we got this bill before the Senate, that is where we are today. When a supermajority of the Senate speaks, there is no question that the Senate moves, as it should, in that direction. The bill musters the votes needed to invoke cloture on the Defense authorization bill which would have moved us to a final vote on that measure possibly by tonight. But the Senate, as I have said, by a wide margin spoke yesterday to the importance of dealing with this issue. Sixty-six Senators said let’s deal with it now, and I have just sent to the desk 61 signatures of the cosponsors of this bill that demonstrate broad bipartisan support.

I think it is appropriate to consider all of this in the context of the Defense authorization bill because the reckless lawsuits we are seeking to stop are aimed at businesses that supply our soldiers, our sailors, and our airmen with their firepower. Stop and think about it. Would there ever be a day when all of our military would be armed with weapons manufactured in a foreign nation? There are many in this country who are attempting to drive our firearm manufacturers from this country, who would have it that way.

Clearly, it is within the appropriate context as we deal with Defense authorization to be talking about the credibility and the assurance we are able to sustain the firearm manufacturing industry in this country. In fact, the United States is the only major world power that does not have a firearm factory of its own. That is something that simply ought not be tolerated. Thirty-eight of our colleagues of both parties signed on to a letter to Majority Leader Frist making this very point: the importance of holding all firearms industries against reckless lawsuits.

I would read from that letter, but I see that my colleague from Oklahoma is now on the floor wishing to discuss this legislation.

Mr. President, I yield the floor in recognition of Senator Coburn.

The PRESIDING OFFICER (Mr. Alexander). The Senator from Oklahoma.

Mr. COBURN. Mr. President, first, I thank the Senator from Idaho for his unwavering faithfulness to the Constitution and upholding his oath as a Senator, as a Member of this body.

The Bill of Rights is important to us, and I rise today in support of that Bill of Rights and, in particular, the second amendment. Not only do I believe the right to bear arms is guaranteed by the U.S. Constitution. I exercise that right personally as a gun owner. I stand on behalf of the people of Oklahoma who adamantly oppose the second amendment and the right to carry arms and against the attack on that right by the frivolous lawsuits that have come about of late.

We have seen many attempts to curtail the second amendment. Nearly a decade ago anti-gun activists tried to limit the right of law-abiding citizens under the banner of “terrorism” legislation by slipping in anti-gun provisions.

In another line of attack, the anti-gun lobby responded to decreasing enthusiasm for limiting handguns by promoting a new form of gun control—a cosmetic ban on guns labeled with the inflammatory title “assault weapons.” While that ban expired in 2004, we will likely see Members of this body attempt to add a renewal and expansion of that ban on this bill today.

Now anti-gun activists have found another way to constrict the right to bear arms and attack the Bill of Rights and the Constitution, and that is through frivolous litigation. They have not succeeded in jailing thousands of law-abiding Americans for having guns, or making the registration and purchase process so onerous that nobody bothers to buy a gun. They have failed to get their cosmetic weapons ban renewed. So now they must attack the arms industry financially through lawsuits—frivolous lawsuits, I might say.

This is why we are here today—to put a stop to the unmeritorious litigation that threatens to bankrupt a vital industry in this country.

It is important to note, I strongly believe it is important that we not write legislation that provides immunity for an industry that knowingly harms consumers.

It is also important that those who commit crimes, with or without the use of firearms, should be punished for their actions. I have always been a strong supporter of tough crime legislation. However, make no mistake, the lawsuits that will be prohibited under this legislation are intended to drive the gun industry out of business. With no gun industry, there is no second amendment right because there is no supply.

These lawsuits against gun manufacturers and sellers are not directed at perpetrators of crime. Instead, they are part of a stealth effort to limit gun ownership, and I oppose any such effort adamantly.

Anti-gun activists have failed to advance their agenda at the ballot box. They failed to advance their agenda in the legislatures. Therefore, they are hoping these cases will be brought before sympathetic activist judges—activist judges—who will determine by judicial fiat that the arms industry is responsible for the action of third parties.

Additionally, trial lawyers are working hand in glove with the anti-gun activists because they see the next litigation cash cow, the next cause of action that will create a fortune for them in legal fees.

As a result of some of the efforts of the anti-gun activists and some trial lawyers, the gun manufacturing and sales industry face huge costs that arise from simply defending unjustified lawsuits, not to mention the potential of runaway verdicts. This small industry has already experienced over $200 million in such charges. Even one large verdict could bankrupt an entire industry.

Since 1998, individuals and municipalities have filed dozens of novel lawsuits against members of the firearms industry. These suits are not intended to create a solution. They are intended to drive the gun industry out of business by holding manufacturers and dealers liable for the intentional and criminal acts of third parties over whom they have absolutely no control.

In testimony before a House subcommittee in 2005, the general counsel of the National Shooting Sports Foundation, Inc., said:

I believe a conservative estimate of the total, industry-wide cost of defending ourselves to date now exceeds $200 million.
What does that produce in our country other than waste and abnormal enrichment of the legal system? This is a huge sum for a small industry such as the gun industry. The firearms industry manufactures firearms for America’s military forces and law enforcement agencies, the 9, the 11. Due in part to Federal purchasing rules these guns are made in the U.S. by American workers. Successful lawsuits could leave the U.S. at the mercy of small foreign suppliers.

Second, by restricting the gun industry’s ability to make and sell guns and ammunition, the lawsuits threaten the ability of Americans to exercise their second amendment right to bear arms. Finally, if the firearms industry must continue to spend millions of dollars on litigation or eventually go bankrupt, thousands of people will lose their jobs. Secondary suppliers to gunmakers will also have suffered and will continue to suffer.

This is why it is not surprising that the labor unions, representing workers at major firearms plants, such as the International Association of Machinists and Aerospace Workers in East Alton, Ill., this bill’s business representatives stated that the jobs of their 2,850 union members “would disappear if trial lawyers and opportunistic politicians get their way.”

The economic impact of this problem may be felt in other ways. In my home State of Oklahoma, hunting and fishing creates an enormous economic impact. It is tremendously positive. Hunters bring in retail sales of over $292 million; 75,000 jobs in Oklahoma alone; and $22 million in personal income. The individuals who injured themselves with guns, were not injured by defective guns or defective ammunition. The individuals who injured themselves with guns, were intentionally shot by other people. The gun was the mechanism that carried out that act. The gun was a tool. Should we ban all tools that are capable of committing homicide or committing injury? These people were not injured by defective guns or defective ammunition. The individuals who were intentionally shot were not part of a quality or product defect. This would be the equivalent of holding a car dealer responsible for a person who intentionally runs down a pedestrian simply because the car that was sold by the dealer was used by a third party to commit criminal homicide.

Guns, like many other things, can be dangerous in the wrong hands. The manufacturer or seller of a gun who is not negligent and obeys all applicable laws should not be held accountable for the unforeseeable actions of a third party.

The gun industry manufactures and sells goods in a free market and is not part of a quality or product defect. The products do not injure the citizenry per se; violation of a State or Federal statute applicable to the sale or marketing of the product where the violation was the proximate cause of the harm for which relief is sought; breach of contract or warranty; and product defect. They still are responsible for all that through this bill. It takes none of that away. It holds personal accountability solid and steadfast. It does not infringe on it. Claimants may still go to court to argue that their claims fall under one of the exceptions.

I’m not convinced by their arguments. Here are a few examples. The Supreme Court struck down the right of New Orleans to bring a suit in the face of a State law forbidding it, in an opinion stating clearly:

This lawsuit constitutes an indirect attempt to regulate the lawful design, manufacture, marketing and sale of tools. It produces in our country. When you can’t pass it in the legislature, you get an activist judge to get done what you wanted to do in the first place, even though a majority of Americans and a majority of legislatures don’t want it. But one judge decides for the rest of us.

We are coming up on a judicial nomination for the Supreme Court. One of the questions that has to be asked is what is the proposal. What is the role in terms of judges making law rather than interpreting law? It will be a key question.

So far judges have not been convinced by their arguments. Here are a few examples. The Supreme Court struck down the right of New Orleans to bring a suit in the face of a State law forbidding it, in an opinion stating clearly:

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STATUTES, hundreds of pages of regulations. To name a few sources of regulations of guns and ammunition: the Internal Revenue Code, including the National Firearms Act postal regulations restricting shipping of handguns; Federal explosive law; regulations for gunpowder; regulation of machinery; the Arms Export Control Act; the Commerce Department export regulations; the Department of Transportation regulations on ammunition explosives and hazardous material transport.

In keeping explicit records that can be inspected by BATF, the Bureau of Alcohol, Tobacco, Firearms, and Explosives, licensed dealers have to conduct a Federal criminal background check on their retail sales either directly by the FBI through its national instant criminal background check or through State systems that also use the NICS system. All retail gun buyers are screened to the best of the Government’s ability.

Additionally, the firearms industry has voluntary programs to promote safe gun storage and to help dealers avoid sales to potential illegal traffickers.

Manufacturers also have a time-honored tradition of acting responsibly to make sure their product is safe for users so they become aware of product defects.

In the past, Congress has found it necessary to protect other classes; for example, the light aircraft industry. Jim Inhofe, a Senator from Oklahoma, moved that the Holoman Air Force Base ultimately through the Senate, an industry that was killed, literally destroyed by frivolous lawsuits. Community health centers, same thing; the aviation industry; the medical implant makers. Amtrak—we have created a special exception for Amtrak—the computer industry members who are affected by Y2K. We took the nonsense out of the courts and put it where it belongs, into statutes with common sense that require personal accountability and responsibility.

Furthermore, Congress may enact litigation reform when lawsuits are affecting interstate commerce. In many of these lawsuits cities and individuals are trying to use the State court to restrict the conduct of the firearms industry nationally, often contrary to state policies expressed through their own legislatures.

A single verdict in favor of an anti-gun activist could bankrupt or regulate an entire segment of the economy—and of America’s national defense. It could be out of business, but most importantly, my right, Oklahomans’ right, all of America’s right to a guarantee of the second amendment to the Bill of Rights secured for them by their ability to own and use firearms responsibly.

This bill will protect our national security. It will protect our constitutional rights. It will protect an industry and it will protect thousands of jobs. It also will ensure that people who have suffered a real injury from a real cause of action can be heard and taken seriously while law-abiding manufacturers and dealers of firearms may continue to serve the law-abiding citizens exercising their constitutionally guaranteed second amendment rights.

Mr. President, I thank you, and I note the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CRAIG. Without objection, it is so ordered.

THE PRESIDING OFFICER. Mr. President, I just came from our Republican Senate cloakroom doing an interview on this important piece of legislation, and I thought that in the course of that interview there was an interesting comment made by the person on the other end of the phone regarding your question. Why are you doing this now? And I thought it would be important for me to put it in the appropriate context because there is a tremendous number of important issues before the U.S. Congress at this time that the American people are being asked to respond to highly complex issues because we are headed toward the end of the week. As the leader said a few moments ago, we are headed toward the August recess, which means Congress, in its traditional way, will take the month of August, the final days of August, and just 1 week of Labor Day, and we reconvene after Labor Day.

So why now are you addressing the Protection of Lawful Commerce in Firearms Act, S. 397? It was stated in the context that the Senate really can only churn gum or dribble a ball, but it can’t do both. What I think is important for those who might be listening to understand is that we can chew gum and dribble a ball at the same time, and probably both balls in the air. That is exactly what the leader is doing at this moment.

Last night, I signed, and I think the President signed, a document that we are very proud of that has been 6 years in coming to the desk of the President of the United States, and now comes to this President because of his very clear urging, and that is the national energy policy.

Yes, the Congress of the United States has been working on a national energy policy, and we believe we can take up the conference report now on the floor of the Senate during the remainder of the week before we recess, and we hope that all of our colleagues would let us step back for a moment from this legislation and do so before we move to final passage.

It is very possible that we could also do the transportation conference report. We have extended the legal authority under the Transportation Act 11 times while the Senate and the House did its work, and I hope we would not extend it anymore. So, clearly, there are multiple things we can do, and I trust we will do so, before we adjourn for the August recess. But I think the President and I would agree that when our President came to town, now, nearly 6 years ago—and I remember President George W. Bush made the leadingenting: While I spent a good deal of the campaign time talking about education and a variety of other issues, I am here now to talk about national energy. And the first thing I am going to do as a President-elect or a President—I think this legislation is to name a task force headed by the Vice President to recommend to the Congress the development of a national comprehensive energy policy.

He did, but we did not. He pushed, but we could not produce. He continued to push, and now we have produced, and finally we have a comprehensive energy policy before us. So I would say to those listening and to all of our colleagues, I hope we can dribble a ball and chew gum at the same time and get all of this work done before the August recess. If reasonable heads prevail, we should get it all done by late Friday night. But the leader also said we have Saturday, and we can do it in our work done. By early afternoon today, we will be on S. 397, the Protection of Lawful Commerce in Firearms Act.

What I would like to do at this time is read a letter that we sent to Majority Leader Frist that we think sets it into the right context exactly why we are here today and tomorrow debating this important legislation.

The letter goes something like this:Dear Majority Leader Frist, this was sent on July 12, signed by a great many Senators, Democrats, and Republicans alike, MAX BAUCUS, who is my cosponsor of this legislation, and I, along with a good many others. We said in the early days of World War II, President Franklin Roosevelt foresaw that America “must be the great arsenal of democracy.” Americans rose to that challenge, producing unprecedented amounts of arms, not only for U.S. forces but also for our allies around the world.

That tradition continues today, during our Global War on Terror. In 2004–2005, the United States—the only major world power without a government firearms factory of its own—

I said, in earlier statements this morning, we are the only major world power where the Government does not own a firearms factory. They are all owned by private citizens—has contracted to buy over 200,000 rifles, pistols, machine guns, and other small arms for our soldiers, sailors, airmen and Marines. In addition, the U.S. Army alone uses about 2 billion rounds of ammunition each year—about half of it made by private industry. Those guns and ammunition are made in the U.S. and provide good jobs for hardworking Americans.

Those gun manufacturing facilities and ammunition facilities are spread across the United States.

Unfortunately, our military suppliers are in danger. Anti-gun activists have taken to the streets to promote more restrictive gun control. The very same companies that arm our men and women on the
front line against terrorism have been sued all over the country, where plaintiffs blame them for the acts of criminals. These lawsuits defy all the rules of traditional tort law. While many have been rejected in the court—

And that is many of the lawsuits, some 24-plus filed, about half of them now rejected.

even one verdict for plaintiffs would risk irreparable harm to a vital defense industry.

These are some of the reasons I have cosponsored S. 397, the Protection of Lawful Commerce in Arms Act. This bill would protect America's small arms industry against these lawsuits, while allowing legitimate, recognized types of suits against companies that negligently design, produce, or sell defective products, or against gun dealers who break the law.

I was very clear earlier today that S. 397 sets that out in clear fashion.

The letter goes on to say:

We urge you to help safeguard our "great array of weapons," money, which is worth $1.2 billion, some of them $2 billion in industries in their collective value. So we are talking apples and oranges, an industry that is very limited in its capability that is now being sucked to industry that is very limited in its capability that is now being sucked to

capability that is now being sucked to

capability that is now being sucked to

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Product liability, in other words, a gun that misfires, that does damage to the operator of it, those definitions are clearly spelled out within the law. Negligence or negligent entrustment, breach of contract, lawsuits based on a violation of State and Federal law, it is very straightforward, and we think it is very clear.

The trend of abusive litigation targeting the firearms industry not only defies common sense and concepts of fundamental fairness, but it would do nothing to curb criminal violence, and we know that.

Furthermore, it threatens the domestic industry that I think is critical, as I have mentioned earlier, to the national defense of this country.

It would be foolish and I do not know of a soldier serving today or one who has served that would want to serve with a firearm at his or her side being made by a foreign manufacturer. It does not make sense whatsoever. Yet that is the end product of the effort that is under way today, to simply put firearms manufacturers out of business. If they can be pushed overseas, then other forms of law can be used to block access to firearms or access to the importation of firearms from foreign countries. The argument would be foreign nations are attempting to flood the American consumer with a foreign product. I have heard the argument on the floor by those who have attempted to ban certain types of importation over the years.

It is an argument well spelled out and well used by many. Faulty as it may be, it is an argument that often times resonates to the American consumer. But when the American consumer finds out that they have been denied access to a quality U.S. product or that product does not exist, then the argument turns around.

That is why we are on the floor today. That is why we are dealing with this bill. We are not arguing that we have arrived at a unanimous consent agreement that brings us on to the bill by 2 this afternoon. I hope at that time many of my colleagues who are cosponsors would join with me so that we can move this legislation expeditiously through the Senate. I know there are several amendments that will probably be brought to the floor, most of them destructive to the intent of the bill, marginalizing it at best. As a result, I will urge all colleagues to keep us on the construct of S. 397, to be able to pass it from the Senate as clean as possible, hopefully, very clean, so the House can act on it immediately and move it to our President's desk.

That is the intent. As we move through S. 397 over the course of today and tomorrow, I trust we will also be able to deal with the conference report, I have mentioned that it is only extremely important for this country and for all of us to have prior to the August recess.

I see no other of my colleagues on this floor wishing to speak at this moment, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Graham). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection.

Mr. KENNEDY. Mr. President, I take a moment to explain the effect of our proceeding to this gun bill. We are putting aside an important debate on national security and the need for our troops in a time of war. Last Friday I listed a number of the amendments that still were pending that would affect the National Guard and our Reserve troops and also provide additional kinds of protections for the service men and women. The decision by the Republican leadership was that we had spent enough time on the legislation, even though we chose to spend 2 weeks earlier in the year on the credit card industry legislation which benefited special interest groups. The credit card industry will profit about $6 billion more this year than last year because of the actions taken. We also spent time on the special interest legislation dealing with class actions. We spent the time on that, but we are not on the Defense authorization bill.

We had an important amendment on the whole policy of the administration in developing new nuclear weapons which has profound implications in terms of the issues of nuclear proliferation and nuclear safety. We looked forward to having an opportunity to debate that issue. That was put aside by the Republican leadership because they were concerned about a provision that had been introduced to the Defense authorization bill last Thursday. Senator Levin, Senator Reed, Senator Rockefeller and I introduced an amendment to create an independent commission to examine the administration's policy surrounding the detention and interrogation of detainees as an amendment to the Defense authorization bill.

The response of the White House was instant and negative. The President announced he would veto the Defense authorization bill, all $442 billion of it, if it included any provisions to restrict the ports I have mentioned that I think are extremely important for this country and for all of us to have prior to the August recess.

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clearly the urgent need to establish a commission than that this imperial White House considers itself immune from restraints by Congress on its powers no matter what the Constitution says.

It is appalling that the administration is so afraid of the truth that they are even willing to veto the Defense bill which includes billions of dollars for our troops, pay raises for our troops, and funds for armored humvees to protect our troops in Iraq. But the administration seemed so pointed to veto that legislation because of this amendment that had been offered by Senator Levin, Senator Reed, Senator Rockefeller, and myself.

Now the Senate Republican leaders have pulled the Defense bill from the floor. It is interesting that Republican leaders hatched this plan after Vice President Cheney visited with Senate Republicans last week. He told them the White House does not want votes on amendments to require an inquiry into their detention policies and practices. The White House has not only threatened to veto a national defense bill to avoid accountability, but is preventing us from voting on the issue. It is almost as if the administration’s detention and interrogation policy failed to respect the longstanding rules that have guided our policy in the past, rejecting the collective wisdom of our career military and State Department officials with backgrounds in law and independent commission of respected professionals.

The American people deserve to understand the choices made by this President and to evaluate them. We need a thorough assessment of the facts we know so far about torture and abuses and harsh techniques. We need a commission independent of the administration and to evaluate them. We need to return to our core values of openness and accountability. The facts we know so far about torture and abuses is the only way we can learn the truth. The administration will never tell the American people about this practice of rendition on its own. We need an independent commission to examine our policies and practices and make appropriate recommendations. The American people deserve to understand the choices made by this President and to evaluate them.

In sum, our interrogation and detention policies need much more thorough review. In avoiding accountability, the administration has made it clear it won’t accept responsibility for giving us the clear answers it deserves. As Benjamin Franklin said, half a truth is often a great lie. Until now we have been fed half truths and cover-ups by the administration.

With the recent veto threat, the White House has declared war on any full and honest accounting of responsibility. The safety of our troops and our citizens depends on finding out the whole truth and acting on it. An independent commission of respected professionals with backgrounds in law and military policy and international relations is the only way we can learn the truth about what has happened so we can end the suppression and establish a policy for the future that is worthy of our Nation and worthy of our respect of all nations.

Administration secrecy doesn’t stop with their interrogation policy. This administration has a systematic disregard for oversight and openness. Government is intended to be “of the people, by the people, and for the people.” Democracy requires informed citizens, and to be informed, citizens need to have information about the government. Congress and the executive branch must provide them with that information, so the American people know what is being done in their name. But under the Bush administration, openness and accountability have been replaced by secrecy and evasion of responsibility. The American people, conceal their actions from the American people, and refuse to hold officials accountable.

No one disputes the necessity of classifying information critical to protecting our national security—military operations, weapon designs, intelligence sources, and similar information. But in the post-9/11 world, the administration is making secrecy the norm and openness the exception. It has used the tragedy of 9/11 to classify unprecedented amounts of information. Material off-limits to the public has become so extensive that no other conclusion is possible. The Bush administration has a pervasive strategy to limit access to information in order to avoid independent evaluation of its actions by Americans whose job it is to observe and critique their government.

When even Congressmen, journalists, and public interest groups complain about limits on access to information, we know the difficulties faced by ordinary Americans seeking information from their government.

At a hearing last August in the House Subcommittee on National Security, the Director of the Government’s Information Security Oversight Office, J. William Leonard, testified that it is no secret that the government classifies too much information. Too much classification unnecessarily impedes effective information sharing.

The Deputy Under Secretary of Defense for Counterintelligence and Security, Carol A. Haave, said that as much as half of all classified information doesn’t need to be classified.

Last year, a record 15.6 million documents were classified by the Bush administration at a cost of $7.2 billion, many under newly invented categories with fewer requirements for classification.

The administration argues that all this secrecy is necessary to win the war on terrorism. But the 9/11 Commission Report said that too much government secrecy had hurt U.S. intelligence capability even before 9/11. “Secrecy stifles oversight, accountability, and information sharing,” says the report. They know from their own experience.

In July 2003, the 9/11 Commission’s cochairmen, Thomas Kean and Lee Hamilton, complained publicly that the administration was failing to provide requested information.
In October 2003, the Commission had no choice, after repeated requests, but to subpoena records from the FAA.

In November 2003, after multiple requests, the Commission again had to subpoena information, this time from the Pentagon.

For the rest of that fall and spring, the administration repeatedly tried to deny access to presidential documents important to the Commission’s investigation, until public outcry grew loud enough to convince the administration otherwise.

Key members of the administration balked at testifying, until public opinion again swayed their stance.

And then, in an ironic twist, 28 pages of the 9/11 Commission Report itself was classified. So, is all this secrecy really about protecting us from the terrorists? Or is it just to avoid accountability?

This administration, once in office, wasted no time challenging those who would hold them accountable. In May 2001, Vice President Cheney’s energy task force issued its report recommending more oil and gas drilling to solve our energy problems. In light of his former employment at Halliburton, the report was held to be unbiased. Unbelievably, it was released. What was astonishing was the Vice President’s refusal to identify the people and groups who helped write the policy. In June 2001, the GAO, the non-partisan, investigative arm of Congress, criticized the Bush administration on the energy task force, following reports that campaign contributors had special access while the public was shut out. GAO’s request was simple. It asked, “Who serves on this task force; what information is being presented to the task force and by whom is it being given; and the costs involved in the gathering of the facts.” Considering that the task force wrote the nation’s energy policy, it was not an unreasonable request.

The administration refused to comply, even though GAO’s request was not out of the ordinary. President Clinton’s task forces on health care and on China trade relations were both investigated by GAO. The Clinton administration turned over detailed information on the participants and proceedings of the task forces.

But the Bush administration argued that GAO did not have the authority to conduct such an investigation. For the first time in its 80-year history, GAO was forced to file suit against an administration to obtain requested information. But the court sided with the administration in Walker v. Cheney, and GAO’s investigative oversight authority was effectively reduced. Independent oversight is critically important when one party controls both Congress and the White House, and GAO is critical to that oversight.

On October 12, 2001, John Ashcroft wrote a memo outlining the Justice Department’s views on Freedom of Information Act requests. The memo set the tone for an administration hostile to such requests. It discouraged executive branch agencies from responding to Freedom of Information Act requests, even when the agencies had the option to respond. He basically reversed the longstanding policy of prior administration, where openness was essential to an informed public.

When the Bush administration came to office, Attorney General Ashcroft disagreed—he wrote that if there is any technical ground for withholding a document under the Freedom of Information Act, an agency should withhold it. The Clinton policy had been “release if at all possible.” The Bush policy was “keep secret if at all possible.”

Why should the public know what the administration is doing? Why release documents that might be embarrassing to the White House or its friends in business?

Some organizations claim, based on their experience, that this obsession with secrecy is not even part of the Bush administration. But the Bush policy was not out of the ordinary. President Clinton, with secrecy goes even farther, and did not release information as fast as the public was shut out. GAO’s request was simple. It asked, “Who serves on this task force; what information is being presented to the task force and by whom is it being given; and the costs involved in the gathering of the facts.” Considering that the task force wrote the nation’s energy policy, it was not an unreasonable request.

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No one wants to do anything that would help the insurgents. But the ad-
ministration must do a better job of re-
sponding to the legitimate concerns of
the American people. The administra-
tion still isn't willing to be candid. It
needs to shed some skin, get some
secrecy and answer these questions in
good faith for the American people.
The silence is deafening.

There is also a pattern of with-
holding information from members of
Congress on the administration's nomi-
nations. In 2003, Miguel Estrada was
ominated for a Federal judgeship. We
requested legal memoranda he wrote as
Assistant Solicitor General, and we
were repeatedly denied. In 2004, Alberto
Gonzales was nominated to be Attor-
ney General. We requested various
memoranda he authorized on admin-
istration torture policy, and we were
repeatedly denied. Earlier this year,
John Bolton was nominated to be Am-
bassador to the United Nations. We
requested documents to determine if he
acted appropriately in his previous job,
and we have been repeatedly denied.

Instead of coming clean and pro-
viding the information to the Congress,
we have been stonewalled. Our ques-
tions have gone unanswered. And now,
the President appears to be poised to
abuse his power further, rub salt in the
wound, and send John Bolton to the
United Nations anyway with a recess
appointment of dubious constitu-
tional validity.

Now John Roberts has been nomi-
nated to a lifetime seat on the Su-
preme Court. We hope this nomination
will not be another occasion for admin-
istration secrecy, but press accounts
suggest otherwise. Even before we
asked for any documents, the admin-
istration announced it will not release
many of the memoranda written by
John Roberts. The White House spokes-
mans say they will claim attorney-cli-
ent privilege. We have been repeatedly
told that the Senate can make a balanced,
informed judgment and see whether or
not the balance in the Supreme Court
will be furthered. That is the issue and
it appears that the administration is
continuing to withhold important in-
formation that would permit the Con-
gress the ability to do so.

Yes, the administration has consist-
ently used the horror of 9/11 and its dis-
dain of congressional oversight to get
away with everything it wants. It con-
tinently uses this secrecy to roll
back the rights of average Americans.
But even its best spin doctors can’t con-
ceptualize that the administration’s
most flagrant abuses of power.

In 1988, the New York Times
reported that “health rules, environ-
mental regulations, energy initiatives,
worker-safety standards and product-
safety disclosure policies have been
modified in ways that often please big
business while putting the American
people—not just the
consumers, workers, drivers, medical
patients, the elderly and many others.”
Often, this has been done in silence and
near secrecy.

In 2000, Congress responded to the
disclosure of defects in Firestone tires,
which may have been responsible for as
many as 270 deaths, by passing legisla-
tion which would make information on
auto safety readily available. But in July 2003, the Na-
tional Highway Traffic Safety Admin-
istration decided that reports of de-
fects would cause “substantial com-
petitive harm” to the auto industry,
and exempted warranty claims and
consumer complaints from the Free-
dom of Information Act. Clearly, that
was another abuse of power that pro-
tects big business while putting the
American public at greater risk.

In 2003, the administration know-
ingly withheld cost estimates of its
Medicare prescription drug bill—one of
the most important pieces of legisla-
tion that year. The estimates showed
more money was a must than the
administration claimed, but the infor-
mation was withheld because of fears
that the actual numbers would per-
suade Members of Congress to vote no.

Administration officials threatened to
fire Chief Actuary Richard Foster “so
fast his head would spin,” if he in-
formed Congress of the real cost esti-
mate. I wrote a letter to the admin-
istration on this subject, but they never
responded to my questions.

In 2002, the Drug Adminis-
tration kept secret a report that chil-
dren on antidepressants were twice as
likely to be involved in suicide-related
behavior. The FDA also prevented the
author of the study—their expert on
the issue—from releasing his findings
to an FDA advisory committee. Dr. Jo-
seph Glenmullen, a Harvard psychia-
trist, said “Evidence that they’re sup-
pressing a report like this is an out-
rage, given the public health and safety
issues at stake.” In 2001, the FDA was
asked by an auditing entity to issue an ambiguous warning when they
had unambiguous data like this is an
outrage.”
have a duty to hold the administration accountable for its actions.

Mr. President, on the matter we have before the Senate at the present time, here we go again on the issue of legal immunity for the gun industry. With our national tragedy stemming from gun violence, there is a pressing need to address this issue. Surely, the Republican leadership can take some time to address other priorities before attempting to give a free pass to the gun industry. Why aren't we completing our work on the Defense authorization bill? That is what was before the Senate. Why have we displaced a full and fair debate on the issue of the Defense authorization bill—which has so many provisions in there concerning our fighting men and women in Iraq and about our national guard and defense—in order to consider special interest legislation?

What is what before the Senate. That is what we are considering at the present time, as a result of the Republican leadership for this country's future. Surely, the Republican leadership can take some time to address other priorities before attempting to give a free pass to the gun industry. Why aren't we completing our work on the Defense authorization bill? That is what was before the Senate. Why have we displaced a full and fair debate on the issue of the Defense authorization bill—which has so many provisions in there concerning our fighting men and women in Iraq and about our national guard and defense—in order to consider special interest legislation?

That which is before the Senate, and that is what we are considering at the present time, as a result of the Republican leadership for this country's future. Surely, the Republican leadership can take some time to address other priorities before attempting to give a free pass to the gun industry. Why aren't we completing our work on the Defense authorization bill? That is what was before the Senate. Why have we displaced a full and fair debate on the issue of the Defense authorization bill—which has so many provisions in there concerning our fighting men and women in Iraq and about our national guard and defense—in order to consider special interest legislation?

The overwhelming majority of Americans believe gun dealers and gun manufacturers should be held accountable for their irresponsible conduct, similar to everyday businesses. Furthermore, in the wake of the recent massacre in Newtown, Connecticut, there is a renewed call for action to address gun violence.

The bill we are considering today, the Protection of Lawful Commerce in Arms Act, would grant the gun industry unprecedented legal immunity, on top of its existing exemption from Federal consumer safety regulations. Guns will remain more dangerous. Gun dealers will be more irresponsible. More guns will be laundered to avoid refunds and other accountability.

It is clear what will happen if Congress passes this legislation. Army personnel could be shot by their own gun. What is the point of a gun if it is too dangerous to use? Gun owners and gun victims alike will be left virtually powerless against an industry that is already immune from so many other consumer protections. We find ourselves today on the cusp of yet another NRA victory.

Simply put, we are considering legislation that would ensure that it is not in the financial interests of gun manufacturers or sellers to take responsible care in administering their business. We are removing the incentives of the tort system to encourage responsible behavior. No longer will those incentives to responsible behavior be protected.

Let me be clear, if this bill is approved, it will not be a victory for law-abiding gun owners who might someday benefit from the ability to sue a manufacturer or dealer for their negligent conduct. No, this will be a victory for those who have turned the NRA into a political powerhouse, unconcerned with the rights of a majority of Americans who want prudent controls over firearms and who want to maintain their basic legal right in our civil law system. Now, I do not support meritless lawsuits against the gun industry. I do not think anybody does. It is my belief the gun industry has就给大家足够的保护。
counties responding to crimes often committed using guns that flood the illegal market, with the full knowledge of the distributors that the legal market could not possibly be absorbing so many of these weapons—that is why so many mayors have written strongly against this bill—and has been filed by organizations on behalf of their members and victims of violent crimes and their families who are injured or killed as a result of gun violence facilitated by the negligence of gun manufacturers and sellers.

This is not an abstract one. The bill is going to hurt real people—victims not only of criminal misuse by a well-designed firearm, but victims of guns that have been marketed in ways which, quite frankly, should be illegal. Essentially, this bill prohibits any civil liability lawsuit from being filed against the gun industry for damages resulting from the criminal or unlawful misuse of a gun by a third party, with a number of exceptions.

In doing so, the bill effectively re-writes traditional principles of liability law which generally hold that persons and companies may be liable for their negligence, even if others are liable and would effectively give the gun industry blanket immunity from civil liability cases of this type, an immunity no other industry in America has today. This is truly a remarkable aspect of the legislation. It is a radical departure from Nation’s laws and the principles of federalism.

The bill does allow certain cases to move forward, as its supporters have pointed out, but these cases can proceed only on the narrowest of circumstances. Countless experts have now said that this bill would stop virtually all of the suits against gun dealers and manufacturers filed to date which are based on distribution practice, many of which are of vital to changing the behavior of gun dealers and manufacturers who have been horribly injured through the clear negligence or even borderline criminal conduct of some gun dealers and manufacturers.

With any other business or product, in every other industry, a seller or manufacturer can be liable if that seller or manufacturer is negligent, but not here. Since money, rather than life or liberty, is at stake in a civil case, the standard of proof is lower. There need be no actual violation of law to cover damages. In the overwhelming majority of civil cases, there is no criminal violation. But here, contrary to general negligence law covering almost every other product, the bill allows negligent gun dealers and manufacturers to get off the hook unless they violated a criminal law. This is dreadful. It is despicable. This bill would create a special area of law for gun manufacturers and says that unless they violate a law, they can be careless in how they stock, secure, and sell dangerous weapons.

The judge in Washington State, presiding over the case brought by the DC area sniper victims—the case where a sniper lay in the trunk of a car with a hole punched through the trunk, went to different gasoline stations, schools, parks, and stores, and simply fired at people, indiscriminately killing them—has ruled twice that the dealer of the DC sniper—the gun shop, Bull’s Eye Shooters Supply, and its manufacturer, Bushmaster Firearms—may be liable in negligence for enabling the snipers to obtain their weapon. But even with the new modifications of this bill, the DC sniper case would likely be thrown out of court under this legislation. So guess whose side this Senate is coming down on. Not the side of the victims of the DC sniper but the side of Bull’s Eye Shooters Supply and the manufacturer, Bushmaster Firearms.

Let’s make that clear. This is the most notorious sniper case in America. There is negligence on the part of the gun dealer who sold that gun. He didn’t actually sell the gun. He allowed the snipers to get the gun. Now we are passing a law to prevent the victims from suing under civil liability. Nowhere else in the law does this concept exist in this form. It is a special carve-out for DC sniper gun manufacturer and gun seller.

In another case, a Massachusetts court has ruled that gun manufacturer Kahr Arms may be liable for negligently hiring drug-addicted criminals who used Kahr Arms’ products in shooting. Bull’s plant door with unmarked guns to be sold to criminals. But with these proposed changes, the case against Kahr Arms would be dismissed. A case would be dismissed where a gun manufacturer negligently hired drug-addicted criminals and let them go out the plant door with unmarked guns to be sold to criminals. That is what this does.

This conduct, though outrageous, violated no law—negligent, yes; criminal, no. Contrary to current law which allows judges and juries to apportion blame and damages, this bill would bar any damages against a manufacturer if another party was liable due to a criminal act.

Why should firearms get special treatment? In our society, we hold manufacturers liable for the damage their negligence causes. We do this across the board for every industry, such as the automobile industry if they built bad cars, or if they are negligent putting it together. Lawsuits filed against the gun industry provide a way for those harmed to seek justice from the damages and destruction caused by firearms. Just as important, they create incentives to reform practices proven to be dangerous. I will bet Kahr Arms will make every effort not to hire drug addicts to sell guns to criminals. If that case is dismissed, they can hire them. They can sell to criminals. That is not going to make a difference.

When this bill was introduced in the last Congress and again in this Congress, its supporters spoke about the need to protect the industry from frivolous lawsuits and the need to protect the industry from the potential loss of jobs brought on by future lawsuits. These claims are unfounded. This bill is simply the latest attempt of the gun lobby to evade industry accountability. The suits against the gun industry come in varying forms, but they all have one goal in common—forcing the firearms industry to become more responsible. What is wrong with that?

Under the principles of common law, individuals and industries have a duty to act responsibly. What is special about the gun industry that they should be exempt from this most basic of civil responsibilities? Answer: Nothing. This is an industry that is less accountable under law than any other in America right now. The only avenue of accountability left is the courtroom. This bill attempts to slam the courtroom door in the face of those who would hold the industry responsible for its own actions.

We ought to hold the industry responsible for taking the proper precautions to ensure law-abiding citizens are able to obtain the guns they choose while criminals and other prohibited individuals are not.

Let me read from a letter that was sent by more than 50 full professors from law schools all across this Nation, from the University of Michigan School of Law, UCLA Law School, the University of Georgia School of Law, Indiana University School of Law, Harvard Law School, Syracuse University College of Law, Brooklyn Law School, Georgetown University Law Center, Lewis and Clark Law School, Roger Williams University School of Law, Northwestern School of Law, University of Chicago Law School, William Mitchell College of Law, University of Colorado School of Law, Duke Law School, Albany Law School, University of Arizona College of Law, Houston Law Center, Widener University School of Law, Rutgers, Tulane, Boston, Albany, Temple University Beasley School of Law, Case Western Reserve University School of Law, Cornell Law School, Salmon P. Chase College of Law, Northern Kentucky University, NYU School of Law, The George Washington University Law School, Boston College Law School, Tulane University Law School, Columbia Law School, New York Law School, University of Alabama School of Law, Emory University School of Law, University of California Boalt School of Law, and on and on.

Let me tell you what they say. I will read parts of it. They have reviewed this bill, S. 397 . . . would abrogate this firmly established principle of tort law. Under this bill, the firearms industry would be the one and only business in America which would be free utterly to disregard the risk, no matter how high or foreseeable, that their conduct
might be creating or exacerbating a potentially preventable risk of third party misconduct. Gun and ammunition makers, distributors, importers, and sellers would, unlike other businesses or individuals, be free to take no precautions against even the most foreseeable and easily preventable harms resulting from the illegal actions of third parties. And they could engage in this negligent conduct persistently, even with the specific intent of profiting from the sales of guns that are foreseeably headed to criminal hands.

They could engage in the conduct in an unlimited way and profit from the sales of guns that are foreseeably headed for criminal hands.

Under this bill, a firearms dealer, distributor, and manufacturer could park an unguarded open pickup truck full of loaded assault weapons on a city street corner, leave it there for a week, and yet be free from any negligence liability if and when the guns were stolen and used to do harm.

Mr. President, this is what we are doing. This isn’t just my view, this is the view of more than 50 professors of law and law schools all across the United States. We are facilitating criminal conduct by providing this protection against liability.

It goes on to say:

A firearms dealer, in most states, could sell firearms to an individual every day, even after the dealer is informed that these guns are being used in crime—even, say, by the same violent street gang.

That is a direct quote. So you are facilitating a situation where somebody could sell a hundred guns a day to a street gang and have no liability for that action. That is what I think is really despicable—all because of the power of one lobby.

Again, it goes on to say:

It might appear from the face of the bill that S. 397 and H.R. 800 would leave open the possibility of tort liability for truly egregious misconduct, by virtue of several exceptions set forth in Section 4(5)(1). Those exceptions, however, are in fact quite narrow and would give those in the firearm industry little incentive to the risks of foreseeable third party misconduct.

One exception, for example, would purport to protect firearm actions for “negligent entrustment.” The bill goes on, however, to define “negligent entrustment” extremely narrowly.

The exception applies only to sellers, for example, and would not apply to distributors or manufacturers, no matter how egregious their conduct.

So when somebody comes to the floor and argues this bill provide for negligent entrustment, don’t believe it. It is so limited that it doesn’t cover the whole field of those who handle firearms.

And then it goes on to say:

Even as the sellers, the exception would apply only where the particular person to whom a seller supplies a firearm is one whom the seller knows or ought to know will use it to cause the exceptional case of negligent entrustment. The exception would, therefore, not permit any action based on reckless distribution practices, negligent sales to gun traffickers who supply firearms for criminal hands, lack of security, or any of a myriad of potentially negligent acts.

Another exception would leave open the possibility of liability under statutory violations, variously defined, including those described under the heading of negligence per se. Statutory violations, however, represent just a very specific class of negligence liability. No jurisdiction attempts to legislate standards of care as to every detail of life, even in a regulated industry; and there is no need to do so? Because general principles of tort law make clear that the mere absence of a specific statutory prohibition is not carte blanche for unreasonable or dangerous behavior. S. 397 and H.R. 800 would turn this traditional framework on its head, and free those in the firearms industry to behave as carelessly as they would like, so long as the conduct has not been specifically prohibited. If there is no statute against leaving an open truckload of assault weapons on a street corner, or a gun trafficker leaving the same gun with an individual, under this bill there could be no tort liability.

That is what this bill is opening up. Again, this represents a radical departure from traditional tort principles.

Again, this isn’t just me saying this; this is more than 50 law professors from almost 50 different law schools.

As currently drafted, this bill would not simply restrict the expansion of tort liability, as has been suggested, but would in fact dramatically limit the application of longstanding and otherwise universally applicable tort principles. It provides to firearm makers and distributors a literally unprecedented form of tort immunity not enjoyed, or even dreamed of, by any other industry.

Mr. President, I know the motion to proceed will pass. I also know that what is being engaged upon is the most stringent test of gemanese I have ever seen take place in this body to prevent amendments from being offered once cloture is invoked, which is going to be the case. I also know that going to do the people it represents an enormous harm. They are going to protect the most powerful lobby in the United States and open millions of Americans to egregious injury from negligent practices by distributors and sellers of firearms in this country.

That is not what we were elected to do. No one in this body was elected to prevent amendments from being offered once cloture is invoked, which is going to be the case. I also know that going to do the people it represents an enormous harm. They are going to protect the most powerful lobby in the United States and open millions of Americans to egregious injury from negligent practices by distributors and sellers of firearms in this country.

I say to you we do not protect the public welfare, as more than 50 professors of law have pointed out.

Additionally, I will put into the Record a letter of opposition from law enforcement officials. I have their written consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS, U.S. SENATE, Washington, DC.

Debate on S. 397: As active and retired law enforcement officers, we are writing to urge your strong opposition to any legislation granting the gun industry special legal immunity, stating that granting the gun industry special legal rights of gun violence victims, including law enforcement officers and their families, to seek redress against irresponsible gun dealers and manufacturers.

The impact of this bill on the law enforcement community is well illustrated by the lawsuit brought by former Jersey police officers Ken McGuire and David Lemongello. On January 12, 2001, McGuire and Lemongello were shot in the line of duty with a trafficked and gun negligently sold by a Virginia dealer. The dealer had sold the gun, along with 11 other handguns, in a cash sale to a straw buyer for a gun trafficker. In June 2004, the officers obtained a $1 million settlement from the dealer. The dealer, as well as two other area pawnshops, also have implemented safer practices to prevent sales to traffickers, including a new policy of ending large-volume sales of handguns. These reforms go beyond the requirements of current law and are not imposed by any manufacturers or distributors.

If immunity for the gun industry had been enacted, the officers’ case would have been thrown out of court and have never been denied. Police officers like Ken McGuire and Dave Lemongello put their lives on the line every day to protect the public. Instead of honoring them for their service, legislation granting immunity to the gun industry would deprive them of their basic rights as American citizens to prove their cases in a court of law. We stand with officers McGuire and Lemongello in urging you to oppose such legislation.

Sincerely,

International Brotherhood of Police Officers (AFL–CIO Police union); Major Cities Chiefs Association (Represents our nation’s largest police department); National Black Police Association (Nationwide organization with more than 35,000 members); Hispanic American Police Command Officers Association (Serving officers in local and federal agencies); National Latino Peace Officers Association; The Police Foundation (A private, nonprofit research institution); American Association of Chiefs of Police; Rhode Island State Association of Chiefs of Police; Maine Chiefs of Police Association.

Departments listed for identification purposes only:

Sergeant Moises Agosto, Pompton Lakes Police Dept. (NJ); Sheriff Thomas A. Alexander, Summit County Sheriff’s Office (OH); Sheriff Thomas L. Altieri, Trumbull County Sheriff’s Office (OH); Deputy Anthony L. Anderson, Newark Police Dept. (NJ); Chief Jon J. Arcaro, Conneaut Police Dept. (OH); Officer Robert C. Arnold, Rutherford Police Dept. (NJ); Chief Ron Atstupenas, Blackstone Police Dept. (MA); Sheriff Kevin A. Beck, Williams County Sheriff’s Office (OH); Detective Sean Burke, Lawrence Police Dept. (MA); Chief William Bratton, Los Angeles Police Dept. (CA); Special Agent (Ret) Ronald J. Brogan, Drug Enforcement Agency; Chief Thomas V. Browne, Amsterdam Police Dept. (NY).

Chief (Ret) John H. Cese, Wilmington Police Dept. (NC); Chief Michael Cleveland, Portland Police (ME); Chief William Citty, Oklahoma Police Dept. (OK); Chief Kenneth V. Collins,
Chief Edward Reines, Yavapai-Prescott
Chief Randall C. McCoy, Ravenna Police
Chief Calvin Johnson, Dumfries Police
Officer Daniel Fagan, Boston Police Department (MA); Robert M. Schwartz, Executive Director, Massachusetts Municipal Police Association (MA); Cap'n George Egbert, Rutherford Police Department (NJ); Sterling Epps, President, Association of Former Customs Agents, Northeastern Region (WA); Chief Dean Esserman, Providence Police Department (RI).

Other Daniel Fagan, Boston Police Patrolman's Association, Boston Police Department (MA); Captain Mark Polsom, Kansas City Police Department (MO); Chief Charles J. Gloria, Springfield Police Department (MA); Superintendent Jerry G. Gregory (ret.), Rairdon Township Police Department (PA); Chief Jack F. Harris, Phoenix Police Department (AZ); Chief (RET.) Thomas K. Hayselden, Shawnee Police Department (KS); Terry G. Hillard, Retired Superintendent, Chicago Police Department (IL); Steven A. Resman, Director (RET.), Officer Rick L. Host, Sec/Treasurer, Iowa State Police Association, Des Moines Police Department (IA); Officer David Hamm, President, Iowa Police Officers Association, Fort Worth Police Department (TX); Officer H. Hubserg, Ft. Worth Police Officers Association, Ft. Worth Police Department (TX); Chief Ken James, Emeryville Police Department (CA).

Chief Calvin Johnson, Dumas Police Department (TX); Chief Gil Kerlikowske, Seattle Police Department (WA); Deputy Chief Jeffrey A. Kamorek, Gary Police Department (IN); Detective John Kotnour, Overland Park Police Department (KS); Detective Kurt Lavarelo, Sarasota County Sheriff's Office (FL); Chief Michael T. Lazor, Willowick Police Department (OH); Sheriff Simon L. Leis, Jr., Hamilton County Sheriff's Office (OH); Sheriff Ralph Lopez, Bexar County Sheriff's Office (TX); Chief Cory Lyman, Ketchum Police Department (ID); Chief David A. Maine, Edcild Police Department (OH); Chief J. Thomas Manger, Montgomery County Police Department (MD); Chief Burnham E. Mattingly, Alameda Police Department (CA); Chief Michael T. Matulavich, Akron Police Department (OH).

Chief Daniel McCoy, Ravenna Police Department (OH); Sergeant Michael McGuire, Essex County Sheriff's Department (NJ); Chief William P. McManus, Minneappois Police Department (MN); Chief Larry Meisner, Berkeley Police Department (CA); Sheriff Al Myers, Delaware County Sheriff's Office (OH); Chief Albert Nagel, Sacramento Police Department (CA); Detective Michael Palladino, Executive Vice President, National Association of Police Organizations, President, Detective's Endowment Association of New York City; Chief Mark S. Paresi, North Las Vegas Police Department (NV); President Thomas R. Percich, St. Louis Police Leadership Organization, St. Louis Police Department (MO); Sheriff Charles C. Plummer, Alameda County Sheriff's Department (CA).

Chief Edward Reines, Yavapai Prescott Tribal Police Department (AZ); Chief Cel Rivera, Lorain Police Department (OH); Officer Kevin J. Scannel, Rutherford Police Department (NJ); Deputy M. Schwartz, Executive Director, Maine Police Department (ME); Chief Ronald C. Sloan, Arvada Police Department (CO); Chief William Taylor, Rice University Police Department (TX); C.H. Chief Lee Roy Villarreal, Bexar County Sheriff's Department (TX); Chief (RET) Joseph J. Vince, Jr., Crime Gun Analysis Branch, ATF (VA); Chief Garnett F. Watson Jr., Gary Police Department (IN); Hubert Williams, President, The Police Foundation (DC); President Greg Wurm, St. Louis Police Leadership Organization, St. Louis Police Department (MO).

Mrs. FEINSTEIN. This letter of opposition details the case that Senator KENNEDY mentioned, involving two law enforcement officers from Orange, NJ, and points out that that case would have been thrown out of court. It is signed by numerous chiefs of police and major law enforcement officers nation-wide.

The American Bar Association states in their letter of opposition:

S. 397 would preempt State substantive legal standards for most negligence and product liability actions for this one industry, abrogating State law in cases in which the defendant is a gun manufacturer, gun seller, or gun trade association, and would insulate this new class of protected defendants from almost all ordinary civil liability actions.

It goes on to say:

There is no evidence that Federal legislation is needed or justified. There is no hearing record evidence to contradict the fact that the State courts are handling their responsibilities competently in this area of the law.

So all those people who believe in States rights are taking States rights away for the National Rifle Association.

The American Bar Association also says:

There is no data of any kind to support claims made by the industry that it is incurring extraordinary costs due to litigation, that it faces a significant number of suits, or that current State law is in any way inadequate. The Senate has not examined the underlying claims of the industry about State tort cases, choosing not to hold a single hearing on S. 397 or its predecessor bills in the two previous Congresses.

That is amazing to me. It continues:

Proponents of this legislation cannot, in fact, point to a single court decision, final judgment, or award that has been paid out that supports their claims. All evidence points to the conclusion that State legislatures and State courts have been and are actively exercising their responsibilities in this area of law with little apparent difficulty.

This letter goes on and again concludes this is going to be the only industry in the United States with this kind of immunity. There is no crisis that merits this kind of hearing. There is no hearing record that documents the need. This really worries me.

Maybe I am biased because I have been a mayor, because I have seen what happens on the streets. I have seen how the threats that criminals with a firearm can be. I have watched, over the years, as firearms have grown much more sophisticated. Their killing power is greatly enhanced. The copycat, or the civilian version, of the .50-caliber weapon—one can’t send a bullet as large as my hand from Arlington Cemetery into the Capitol. Don’t you think how those weapons are sold and distributed should prevent negligence? I do.

I guess in all my years in this body I have never been more disillusioned about how we proceed or why we proceed. We have the PATRIOT Act that is ready to come to the floor, and we are doing this. We have an asbestos bill that is ready to come to the floor, and we are doing this. I am ranking on Military Construction appropriations. We have passed out a military construction bill with $70 billion in it for veterans, benefits, and we are doing this. There are a number of other appropriations bills that are ready for floor action. The conference on the Energy bill just concluded, and we are doing this. There is no hearing record for the previous two Congresses. More than 50 law professors point out this is a giveaway to the special industry. I will put other industry enjoys in the United States of America, and 30,000 people a year are killed with firearms in this country. I find it extraordinarily disillusioning.

I thank the Chair and yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, it is my understanding that the majority has control of this next hour under the agreement.

The PRESIDING OFFICER. That is correct.

Mr. GRAHAM. At this time, I will yield to Senator CORNYN 15 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

NOMINATION OF JUDGE JOHN ROBERTS

Mr. CORNYN. Mr. President, I would like to take a few minutes to comment on the nomination of Judge John Roberts to serve on the U.S. Supreme Court. In particular, I would like to provide some context in a brief response to some statements that have been made by our colleague on the opposite side of the aisle, the senior Senator from New York.

My colleague has repeatedly stated his intention to ask Judge Roberts during the confirmation proceedings dozens of questions about his positions on particular constitutional rights as well as his views of particular cases that have been decided by the U.S. Supreme Court.
He provided Judge Roberts a copy of these questions last week when the two of them met and has stated that he will take "responsibility to make sure that those questions are answered."

Any of our colleagues can, of course, ask whatever questions they want, but the notion that Judge Roberts puts his confirmation at risk if he does not answer the questions on the list from the Senator from New York is contrary to the traditional practice of this body. Nearly every single one of the questions involves an issue that is likely to come before the Supreme Court during Justice Roberts's tenure. Every single Justice confirmed in recent memory has declined to answer questions of the sort contained on that list.

As Justice Ginsburg has noted:
In accord with longstanding norm, every member of the current Supreme Court declined to furnish such information to the Senate.

Every member of the Court has declined to answer such questions because it has long been understood that forcing nominees to take sides on issues while under oath compromises their ability to rule impartially in cases presenting those issues once they sit on the Court.

Judges are supposed to decide cases after hearing the evidence presented by the parties involved and the arguments presented by their lawyers. They are supposed to keep an open and impartial mind.

As Justice Ginsburg has also noted, "the line each [Justice] drew in response to preconfirmation questioning is . . . crucial to the health of the Federal judiciary."

Judges in our system are like umpires in a baseball game. They are not supposed to take sides before the game has begun. Judges are not, for example, supposed to pledge to the Senate that they will be "on the side of labor" or "on the side of corporations" once confirmed to the bench. We should not demand of judges that they be biased on behalf of a particular party before they have even gotten to the bench and heard the facts and the arguments of counsel.

The only side that a judge should be on is on the side of the law. Indeed, that is the oath that each of them take when they are sworn into office. Sometimes they will win in court, and sometimes they should lose. Sometimes labor should win in court, and sometimes labor should lose. But it depends on the facts of the case and on the law that applies to those facts. Any judge worth their salt would decline to make a commitment ahead of time about how that hypothetical controversy would come out, not knowing what those facts are or how the question would be presented.

The Senator from New York has said that his questions do not threaten Judge Roberts's impartiality because he is not asking about specific cases that are already pending before the Supreme Court. He acknowledges that asking questions about those cases—in other words, cases that are actually pending—would be inappropriate. But I would ask my colleague to review, as I have, the Supreme Court's pending cases for the session set to begin in October because it clearly shows that this proposed list of questions would force Judge Roberts to prejudge the very pending cases that the Senator has said should be off limits.

Take, for example, the question of whether Judge Roberts "believes Roe v. Wade was correctly decided." That is one of the Senator's questions. The Senator has said specifically that this is a "question that should be answered." Demanding that Judge Roberts answer questions about Roe v. Wade will undoubtedly force him to prejudge a case that is currently pending on the Court's docket. On November 30, the Supreme Court will hear arguments in Ayotte v. Planned Parenthood, a case involving the constitutionality of a New Hampshire law requiring a minor to notify her parents before having an abortion.

It is nearly certain that some party in that litigation, perhaps even an amicus party, will ask the Court to revisit or overturn Roe v. Wade because one party does so in nearly every abortion case that reaches the U.S. Supreme Court.

Thus, whether Roe v. Wade should be overturned is not only an issue likely to come before the Court during Judge Roberts's tenure, it is already before the Court.

Accordingly, demanding an answer to a question about Roe v. Wade will force Judge Roberts to prejudge at least one of the issues in the Ayotte case, and, no doubt, many others while he is on the bench.

Perhaps an even better example is the Senator's question about whether "the Americans with Disabilities Act requires States to be accessible to the disabled . . . or [whether] sovereign immunity exempts the States?" Again, on November 9, the Supreme Court is scheduled to hear a case called Goodman v. Georgia, a case involving a suit by a disabled prisoner against the State of Georgia. The only question in that case is whether the Americans with Disabilities Act requires States to make prisons accessible to the disabled. Again, this is precisely the question that the Senator warned Judge Roberts that he would not have to answer but which, in fact, he is now being asked to answer.

It is clear then that the questions proposed by the Senator from New York are likely to come before the Supreme Court to answer those important questions in those cases as they are presented.

Judge Roberts should be permitted to choose between confirmation and recusal. If Judge Roberts is forced to recuse himself in all of the cases, all of the issues on the Senator's list, then the Supreme Court will be left short-handed for much of his tenure.

The Senator from New York says that his list includes some of the most important questions of the day, and that may well be true. But surely we can include that question before the Court, so Justice Scalia answered the question. But there was, as it turns out, a case involving that precise question pending before a lower Federal court and, as we all know, that case eventually made its way to the Supreme Court. As we also know, Justice Scalia was then forced to recuse himself from hearing that case because the rules of ethics prevent judges from publicly commenting on pending or impending cases.

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Two years ago, after delivering a speech, Justice Scalia was asked whether he thought the phrase "under God"—that is the reference in the Pledge of Allegiance—was constitutional. There was not at that time any case involving that question before the Court, so Justice Scalia answered the question.

Indeed, the danger of demanding that Judge Roberts answer such questions, even though some may not now be pending before the Court, is clear from an event involving one of the sitting Justices, Justice Scalia.

But once it is acknowledged that Judge Roberts should be permitted to decline to answer the questions involving issues already pending before the Supreme Court, it becomes clear that Judge Roberts should be permitted to decline the rest of the questions proposed by the Senator from New York.

There are literally hundreds of cases at this very moment in lower Federal courts raising virtually all of the questions posed by the Senator from New York. Judge Roberts should not be forced to guess what will or will not one day make their way to the High Court. This is why the Canons of Judicial Ethics counsel judges against answering questions about issues that are not only already before the Court, but also those that are likely to come before the Court.

Any case pending in the lower courts meets this definition because it could be and, indeed, many will be appealed to the U.S. Supreme Court.

Indeed, the danger of demanding that Judge Roberts answer such questions, even though some may not now be pending before the Court, is clear from an event involving one of the sitting Justices, Justice Scalia.

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We should not force Judge Roberts to choose between confirmation and recusal. If Judge Roberts is forced to recuse himself in all of the cases, all of the issues on the Senator's list, then the Supreme Court will be left short-handed for much of his tenure.
I hope and expect that we will not break that longstanding tradition with Judge Roberts.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. Murkowski). The roll will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Madam President, the current Congress has taken a stand against frivolous lawsuits, and we have done so in a number of ways as we paint a portrait of the fact that frivolous lawsuits today are not in the interest of the American people. We addressed it in class action reform. We addressed it to a degree with bankruptcy reform, returning to personal responsibility rather than put it with asbestos reform, an issue that has for the last 10, 15, 20 years unfairly resulted in the trial lawyers doing very well, but the patient with cancer, mesothelioma, not being compensated, the victims not being compensated. We will be addressing it at some point in time, hopefully in this Congress, and then gun liability, the Protection of Lawful Commerce in Arms Act, which is being addressed today and tomorrow and possibly the next day.

The bill is directed at the frivolous lawsuits that today are aimed at gun manufacturers and people who are selling firearms. The bill places responsibility on the criminal for the unlawful use of guns, and that is where that responsibility belongs.

Many people believe that the whole gun manufacturing industry is a hugely profitable industry, and that is wrong. It is not. The gun industry is relatively modest. In 1999, the most recent year I have seen, there was an industry total profit of about $200 million. If we put all the manufacturers of firearms together, they would not even make the Fortune 500 list.

More important than size is the hard-working people who are manufacturing guns. I have had the opportunity, as many of our colleagues have, to go to these wonderful facilities with hard-working Americans, typically in rural communities, who are manufacturing and producing these guns.

The firearm maker I visited was in a rural area with not that many employees. They were putting together shotguns which many of us use to hunt over the course of the year. Right now my favorite avocation is taking my sons hunting on the weekend, to be together and share fellowship.

I mention that because when one tours these gun manufacturing facilities, they realize that frivolous lawsuits drive people out of the business, which today is suits drive people out of the business, and share fellowship.

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communities, who are manufacturing these wonderful facilities with hard-

many of our colleagues have, to go to firearms. The bill places responsibility belongs.

Most Americans think there is too much litigation and not too little litigation in this country. Legislatures in 33 States have tried to preempt frivolous gun lawsuits. They recognize that our Constitution protects the right to keep and bear arms. In fact, 53 percent of American households today own a gun. Still, the anti-gun crusaders, aided and abetted by powerful trial lawyers, charge ahead. They know that all it takes is one successful lawsuit to drive a manufacturer out of business. As one chapter of the United Steelworkers of America points out, "we just one defeat away from bankruptcy."

Since 1997, more than 30 cities and counties have sued firearms companies in an attempt to force them to change the way they make and sell guns. Firearm manufacturers have already spent more than $200 million in legal fees to defend themselves. Meanwhile, most of these cases have been dismissed. The Supreme Court of New York says: [The] courts are the least suited, least equipped and least appropriate branch of government to regulate and micro-manage the manufacturing, marketing, distribution and sale of handguns.

The Florida Third District Court of Appeals agrees, adding: 'The power to legislate belongs not to the judicial branch of government but to the legislative branch.'

Some cases, however, are still pending, and are slated to go forward. Thus, it is critical that we act now, that we pass this legislation now, that we put this legislation to the floor and pass it. In California, former Governor Gray Davis signed legislation explicitly authorizing lawsuits against gunmakers. Because the firearms business is relatively small, just one big verdict—maybe not even big—a substantial verdict could bankrupt the entire industry. In California, that is a real possibility. If the gun industry is forced into bankruptcy, the right to keep and bear arms will be a right in name only. Even if some gunmakers are able to hold on, the pressure, the responsibility on the law-abiding owners and undermines our national security.

We all agree that guns need to be kept out of the hands of criminals, and that is why we have innumerable, countless laws and regulations to stop illegal gun sales. But we also cannot let frivolous lawsuits strip our police officers and our soldiers of the guns they need to protect us. We cannot allow unfair litigation to cripple our national security.

Our sympathies always first and foremost go to crime victims and families, and no one in any way deserves to be harmed by a criminal wielding any kind of a weapon, be it a gun or a knife or anything else. But we have to place the blame where it belongs, not on the people working in that factory I visited that makes these firearms. We need to place it at the feet of the violent criminals themselves, those who commit the crimes and threaten our communities. They are the ones who should be held accountable. Blaming gun manufacturers misses the real problem. It punishes law-abiding owners and undermines our constitutionally protected rights. Even if litigation managed to bankrupt law-abiding gun manufacturers, it is not going to stop the criminals from getting guns elsewhere.

So I urge my colleagues to help stop frivolous gun litigation. We can accomplish that by allowing this legislation first to come to the floor and then passing this legislation. A vote for reform is a vote for security, and a vote for reform is a vote for common sense. The PRESIDING OFFICER. The majority whip.

FOLLOWING THE GINSBURG STANDARD

Mr. MCCONNELL. Madam President, I rise to speak on the nomination of Judge John Roberts to be the next Justice of the Supreme Court of the United States. As we are beginning to learn, if President has selected one of the foremost legal minds of his generation. Many of my colleagues have already spoken Judge Roberts' praises on
this floor, and I agree with all of them. Judge Roberts possesses a keen intellect, an open mind, very importantly, a judicious temperament, and a sterling reputation for integrity. He will faithfully apply the Constitution, not legislate from the bench. He should be confirmed in time for the Court to operate at full strength by October 3.

Looking to recent history, and looking more specifically to the most recent Supreme Court nominations of Justices Ruth Bader Ginsburg and Stephen Breyer, I would think that I should not have cause to worry how this nominee will be treated. Then, as now, the President’s party controlled the Senate. Then, as now, the President nominated a jurist whose credentials could not be questioned. The only difference is that the occupant of the White House then was a Democrat, and the current President is a Republican. But that one simple fact may make all the difference to some of my friends on the other side of the aisle.

In recent weeks I have begun to worry that some of my Democratic colleagues have forgotten the standard to which the Senate held Justices Breyer and Ginsburg when they were nominees. Judge Roberts deserves the same standard, no more or no less, than the nominees of President Clinton. But I fear that the Ginsburg-Breyer standard—which I will call the “Ginsburg standard” for short—is giving way to a double standard. I would like to remind my colleagues of recent history, so we may draw some lessons from the confirmation processes of Justices Breyer and Ginsburg.

Both Ruth Bader Ginsburg and Stephen Breyer came to the Senate with a distinguished record and a deserved reputation for a fine legal mind. But Justice Ginsburg alone faced with a long record of liberal advocacy and thought-provoking, to put it mildly, statements. Yet the Senate handled her nomination in a manner that brought credit to the institution. It followed a respectful tradition. Indeed, it could be said that “respect”—both for the President and his nominee—was a hallmark of her nomination, and the nomination of Stephen Breyer.

In the Ginsburg nomination, the Senate recognized that most judicial nominees, including Justice Ginsburg, have at one point been private practitioners of the law. The Senate recognized that it is unfair to attribute to lawyers the actions of their clients. Lawyers are zealous advocates for their clients. Lawyers speak for their clients, not themselves.

After all, if a lawyer defends a client accused of stealing a chicken, it does not follow that the lawyer is a chicken thief. Again, if a lawyer defends a client accused of stealing a chicken, it does not then follow that the lawyer is a chicken thief. By following this standard, the Senate did not hold against Justice Ginsburg the policy positions of her most famous client, the American Civil Liberties Union.

As we know, the ACLU takes consistently liberal positions on high-profile issues, positions that many Americans strongly disagree with. I respect that. I do not often agree with the ACLU, but its members believe strongly, and they fight for their beliefs. There is certainly nothing but admiration we can have for that.

During Justice Ginsburg’s tenure as a general counsel and a member of its board, the ACLU, for example, opposed restrictions on pornography. Yet even though she developed controversial policy positions, the Senate did not attribute them to Justice Ginsburg, let alone disqualify her from service on the Supreme Court because of them.

In addition, this country values a healthy “market-place of ideas.” So, the Senate did not block Justice Ginsburg’s nomination because she made controversial and thought-provoking statements in her private capacity as a legal thinker. That ranged from suggesting a constitutional right to prostitution, to proposing abolishing “Mother’s Day” and “Father’s Day” in favor of a unisex “Parent’s Day.” Why did we not hold those views against her? Because we recognized she had the integrity to apply the law fairly to each case, despite some rather, to put it mildly, provocative personal views that had been expressed over the years in her writing.

With both the Ginsburg and Breyer nominations, the Senate also continued its long-standing practice of respecting a nominee’s right not to disclose personal views or to answer questions that could prejudice cases or issues. Senators may ask a nominee whatever questions they want. But the nominee also has the right not to comment on matters the nominee feels could compromise their judicial independence.

For example, during his Supreme Court confirmation hearing in 1967, Thurgood Marshall, before the Senate Judiciary Committee, declined to answer a question regarding the Fifth Amendment. He explained.

I do not think you want me to be in a position of giving you a statement on the Fifth Amendment and then, if I am confirmed, sit on the Court and when a Fifth Amendment case comes up, I will have to disqualify myself.

Justice O’Connor, whom our Democratic colleagues have been citing so glowingly in the last few weeks, also demurred regarding questions she thought would compromise her independence. And when asked her view of a case that had already been decided, Roe v. Wade; and in explaining her position, she said:

I feel it is improper for me to endorse or criticize a decision which may well come before the Court in one form or another and indeed appears to be coming back with some regularity in a variety of contexts. I do not think we have seen the end of that issue or the end of the holding that is the concern I have about expressing an endorsement or criticism of that holding.”

The Senate continued this practice with the Breyer and Ginsburg nominations. It did not require them to state their private views, or to prejudice matters before they had read one word of a brief or heard one word of oral argument.

Justice Breyer explained why he had to be careful about pre-committing to matters:

I do not want to predict or to commit myself on an open issue that I feel is going to come up in the Court. I have given you some reasons. The first real reason is how often it is when we express ourselves casually or express ourselves without thorough briefing and thorough thought that I or some other judge might make a mistake. . . . The other reason, which is equally important, is . . . it is so important that the clients and the lawyers understand that judges are really open-minded.

The Senate respected Justice Breyer’s concerns about prejudging and confirmed him by an overwhelming 87–9 margin. This respect extended to our late colleague, Senator Thurmond, who was then chairman, encouraged Justice Breyer about Roe v. Wade, a case that had been decided 21 years earlier. Like Justice O’Connor, Justice Breyer declined to answer a question, stating:

The questions that you are putting to me are matters of how that basic right applies, where it applies, under what circumstances. And I do not think I should go into those for the reason that those are likely to be the subject of litigation in front of the Court.

Senator Thurmond respected Justice Breyer’s position, and did not hold against Justice Breyer his decision not to answer that question. Other Senators did the same on a host of issues. Justice Breyer also declined to give his personal views. He explained, “The reason that I hesitate to say what I think as a person as opposed to a judge is because down that road are a whole host of subjective beliefs, many of which I would try to abstract from.”

As result, he declined to give his personal views on whether the death penalty was cruel and unusual, what the scope of the exclusionary rule should be, and whether he supported tort reform.

Justice Ginsburg also invoked her prerogative not to answer questions that could compromise her independency, and both sides of the aisle respected her decision. Indeed, Senator BIDEN, who was then chairman, encouraged her not to answer questions that would prejudice her position on a legal issue. He told her:

I will have statements that I made during the process read back to me. But I do think it is appropriate to point out, Judge, that you not only have a right to choose what you will answer and not answer, but in my view you should not answer what your view will be on an issue that clearly is going to come before the Court in 50 different forms, probably, over your tenure on the Court.

Justice Ginsburg’s effort to remain unbiased—like Justices O’Connor and Breyer—included not commenting on cases that had already been decided.
For example, Justice Ginsburg was asked how she would have ruled in Rust v. Sullivan, an abortion case that had already been decided. She declined to answer, explaining her position with a metaphor of the slippery slope:

I sense that I am in the position of a skier at the top of a hill, because you are asking me how I would have voted in Rust v. Sullivan. Another member of this committee would like to know how I might vote in that case on the other side. I have resisted descending that slope, because once you ask me about this case, then you will ask me about another case that is over and done, and another. It is dangerous to stress the question here, if I tell this legislative chamber what my vote will be, then my position as a judge could be compromised.

Indeed, Justice Ginsburg declined to comment 55 times on a variety of legal questions. That is 55 times. These included: If the second amendment guarantees an individual right to bear arms; If the death penalty is cruel and unusual punishment under the eighth amendment; School vouchers and whether children are constitutional under the Establishment Clause; If the Supreme Court had interpreted too narrowly the Voting Rights Act; If the first amendment was intended to erect a wall of separation between church and state; If the Federal Government may prohibit abortion clinics from using Federal funds to advocate performing abortions.

That is a lot of "ifs" she declined to answer, yet was confirmed overwhelmingly.

Both Justices Ginsburg and Breyer were reported out of the committee promptly; Republicans did not try to delay the committee vote. Nor did Republicans try to deny these nominees the courtesy of an up-or-down vote on the Senate floor.

As I mentioned, Justice Ginsburg was confirmed 96-3 after 2 days of debate. Justice Breyer was confirmed 81-9 after only one day of debate. By giving these nominees up-or-down votes, the Senate continued the practice it had followed with even contested Supreme Court nominees, like Robert Bork and Clarence Thomas.

The average time for Senate consideration of the Ginsburg and Breyer nominations was 58 days. For Justice Ginsburg’s nomination, the entire process lasted only 42 days from nomination to confirmation.

It troubles us on this side of the aisle, and it should trouble all Americans, that these standards are applied to different people for no valid reason. Unfortunately, this already appears to be happening with respect to the nomination of Judge John Roberts.

Judge Roberts will no doubt be as forthcoming as he property can be when he testifies. However, as with all nominees, there are some questions that he will not be able to answer. His decision ought to be respected as were the decisions of Justice Ginsburg and Justice Breyer.

But our colleague Senator Schumer has declared that for this nomination—forget all the prior nominees—"Every question is a legitimate question, period." And he plans on asking Judge Roberts some 70 questions. These include specific issues that will likely come before the Court. In addition, he wants Judge Roberts to discuss how he would have voted in specific cases, such as New York Times v. Sullivan and United States v. Lopez.

If our friend from New York insists that Judge Roberts answers these types of questions, it will be a radical departure from the practice that the committee followed with Justice O’Connor, Justice Breyer, Justice Ginsburg and other Supreme Court nominees. These nominees were given discretion in not answering questions on issues that might come before the Court. It was agreed that it would be improper for a potential justice to pre-commit on a matter.

We on this side of the aisle are not asking the Senate to change its practices or standards. We are not asking them to do something that we are not doing to our immediate predecessor. We are asking for equal treatment. In short, we are simply asking that the Senate follow the Ginsburg standard, not a double standard.

I applaud the courtesy and respect the Senate showed President Clinton’s nominees, and prior Supreme Court nominees, will continue with Judge Roberts. After all, it’s only fair.

I yield the floor to Mr. HATCH.

Mr. HATCH. It is my understanding that the Senator from South Carolina would like to take 2 minutes. If I can be recognized after that, I would appreciate it.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Madam President, I rise to speak in support of S. 397, protecting gun manufacturers from lawsuits that basically would hold the manufacturer liable if someone bought a gun and an individual committed a crime with it, was irresponsible in its use. I believe everybody should have their day in court for a legitimate grievance. But it is not legitimate, in my opinion, to sue someone who makes a gun lawfully, that is not defective, and that person is held responsible in court because some other person who bought the gun decides to misuse it, to commit a crime with it. That would ruin our economy. It would fundamentally change the concept of the second amendment in American history.

The second amendment gives us a right to bear arms, but it is not unlimited. We have to be responsible. We have to responsibly use that right. The idea that you could sue someone who is lawfully in business because someone else chooses to do something bad will destroy the way America works. It is a ridiculous concept.

Suing gun manufacturers for defective products is included in this bill. Everyone should stand behind what they make and put in the stream of commerce. That has not changed. The only thing that has changed is we are cutting off a line of legal reasoning that has extended to fast food now: "The reason I have health problems is because you served me food that was bad for me." The bottom line is, if we go down this road, we are going to ruin the gun industry in the 21st century, and we are going to rewrite the way America works—to our detriment.

The rule should be simple. If you make a lawful product and someone chooses to buy it and then decides to misuse it, it is not your fault, it is theirs. You are not going to have your money taken because somebody else messed up. Madam President, $200 million in legal fees have already been incurred by gun manufacturers because of this line of reasoning. You win in America; you still lose.

If you want to make sure our country is secure in the future, let’s make sure people can manufacture arms in America. They are not dependent on foreign sources for arms for the public or the military. There is a lot at stake here. I enthusiastically support this limitation on what I think would be not only a frivolous lawsuit, but a dangerous concept that will change America for the worse.

THE PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I rise today to express my continued, strong support of S. 397, this bill.

As I outlined yesterday, this legislation is a necessary and vital response to the growing problem of unfounded lawsuits filed against gun manufacturers and sellers. These suits are being filed in no small part with the intention of trying to drive them out of business.

These lawsuits, citing deceptive marketing or some other pretext, continue to be filed in a number of States, and the aim continues to be to drive out of business.

These lawsuits claim that sellers give the false impression that gun ownership enhances personal safety or that sellers should know that certain guns will be used illegally. That is pure bunk. Let’s look at the truth.

The fact is that none of these lawsuits are aimed at the actual wrong-doer who kills or injures another with a gun—none. Instead, the lawsuits are focused on legitimate, law-abiding businesses.

It is this kind of rampant, race-to-sue mentality, that fuels our tort-happy, litigious culture. It has to stop.

In its Statement of Administration Policy, the White House has urged us to pass a clean bill, in order to ensure enactment of the gun bill this year. Amendments that would delay enactment beyond this year are simply unacceptable.

The administration knows what we also know: This is a modest bill to help prevent the gun industry from a tidal wave of baseless lawsuits.

It is also highly relevant, I believe, that the leading suppliers of small
arms to our Armed Forces are the same
targets of these reckless lawsuits: Be-
retta, Bushmaster, Remington, Smith &
Wesson. These are the companies we rely on
for small arms for the military.

But if the proliferation of lawsuits against
manufacturers and makers of guns and munitions
continues, it could jeopardize the supplies we receive and need for
our military.

This bill does nothing more than pro-
hibit—with five exceptions lawsuits against
manufacturers or sellers of guns and munitions
resulting from the criminal or unlawful misuse of nondefective guns and am-
munition.

Let me repeat that: “resulting from the
criminal or unlawful misuse” of nondefective guns and ammunition.

This bill is not a license for the gun
industry to act irresponsibly. If a man-
ufacturer or seller does not operate en-
tirely within Federal and State law, it
is not entitled to the protection of this
legislation.

I should also note that this bill care-
fully preserves the right of individuals
to have their day in court with civil li-
ability actions where negligence is
truly an issue, or where there were
knowing violations of laws on gun
sales.

It is also noteworthy that in a recent
poll by Moore Information Public Opin-
ion Research, 79 percent of Americans
do not believe that firearms manufactur-
ers should be held legally responsible for violence committed by armed
criminals.

Seventy-nine percent!

And in this poll, 71 percent of Demo-
crats hold this view. So this should not be
a partisan issue.

Let me just read a postcard from one
of the thousands of people who have
written me in support of this bill from
Utah. This Utahn, from the city of
Hyde Park, writes:

Dear Senator Hatch: Please give your full
support to an anti-gun violence am-
edment. As a business woman I know the
strength of America is productive businesses
that keep America strong and my fellow citi-
zens employed!

These are the people I represent. I
not only represent them, I am proud to be
one of them. I am proud to help
small businesses. And I am proud to help
gun owners.

Let me just say a word about the
precipitation for this legislation. Con-
gress has the power—and the duty—to
prevent activists from abusing the
courts to destroy interstate commerce.

We did this in the General Aviation
Revitalization Act of 1994 where we
protected manufacturers of small planes against personal injury law-
suits. That act superseded State law, as
does the gun liability bill.

There are many other precedents for
abusive lawsuits protection, including
light aircraft manufacturers, food do-
nors, volunteer medical personnel, medi-
implant manufacturers and makers of
anti-terrorism technology, just to men-
tion a few.

There is simply no reason the gun
makers should have to continue to de-
 fend these types of meritless lawsuits.
We must protect against the potential
damage to interstate commerce. The
gun industry has already had to bear over
$200 million in defense costs thus far.

The better approach is this: a reason-
able measure to prevent a growing
abuse of our civil justice system.

The bill provides carefully tailored
protections for legitimate lawsuits, such as those where there are known
violations of gun laws, or those of gun
use based on traditional grounds including
e negligent entrapment or breach of
contract.

We simply should not force a lawful
manufacturer or seller to be respon-
sible for criminal and unlawful misuse
of its product by others. We do not hold
the manufacturers of matches respon-
sible for arson for this same reason.

Individuals who misuse lawful prod-
ucts should be held responsible, not those who make the lawful
product.

In closing, I leave my colleagues with
one last thought.

These abusive gun liability actions
weaken the authority of the Congress
and of State legislators. They are an
obstruction to our attempt to enact
restrictions that have been widely re-
jected.

It is for this reason that many States
have enacted statutes to prevent this
type of litigation. Congress should do
the same.

As with class action lawsuits, the few
States that allow jackpot jurisdic-
tions can create a disastrous economic effect
across the entire country, and across
an entire industry.

We cannot allow this to happen. We
must stop these abusive lawsuits.

I urge my colleagues to vote for this
important legislation.

Madam President, I yield the floor.

THE PRESIDENT pro Tempore.
Mr. BOND. I thank my colleague
from Utah for relinquishing the rest of
the time, and I join my colleague in
strong support of S. 397, the gun liabil-
ity bill. But I also wanted to address a
topic that continues to draw much
heat and discussion here on this floor
and in the media. In the heat of political
rhetoric over Iraq and the adminis-
tration’s prosecution of the global war
on terror, much has been lost and not
all truths are being presented in the
matter. Unfortunately, some are quick
to exploit the situation in Iraq and the
global war on terror and, by extension,
the brave men and women prosecuting
these conflicts as cannon fodder in their
attacks on the President from the
media and others. These folks hope to
undermine the administration’s credi-

bility with a keen eye on gaining poli-

cical advantage. However, in the end,
those efforts serve only to undermine
the noble efforts of our Armed Forces,
our Intelligence Services, and all those
in the community who take the fight to
the enemy every day. Most damning, how-
ever, is that we have yet to see those
who strongly criticize the President’s
policies present any comprehensive,
workable or viable alternatives.

This kind of politicizing only serves
to erode the morale of the men and
women in the field who do the heavy
lifting. It is nothing short of shameful
for our leaders in Congress bicker about nonsubstantive
issues while they in the field are united
and committed to the missions of free-
dom and keeping our country safe. The
armed conflicts in which our young
people are fighting and serving in are
much more than an issue—much more
should be the topic of thoughtful de-
bate.

However, there is no place for this
kind of posturing in the business of war
because it merely emboldens the
enemy and belittles the efforts of our
troops.

Let’s look at the facts. Some argue
there is no connection between Iraq
and 9/11. Look at the facts. In late 1994
or early 1995, Saddam Hussein met with
several top Taliban and Al Quida
leaders in Khartoum. In March 1998, after bin
Laden’s public fatwah against the
United States, two al-Qaida members
reportedly went to Iraq to meet with
Iraqi intelligence. In July, an Iraqi del-
cation traveled to Afghanistan to
meet first with the Taliban and then
bin Laden. “One reliable source re-
ported bin Laden’s having met with
Iraqi officials, who ‘may have offered
him asylum’.” These are quotes from
the bipartisan 9/11 Commission Report

I do not think one could argue that
these facts are either agenda-driven or
biased. These facts demonstrate that
prior to the 9/11 attacks, al-Qaida and
bin Laden himself maintained contacts
with the Iraqi regime and that the
Iraqis even offered to harbor bin Laden.

Accordingly, a categorical denial
that “Iraq had nothing to do with 9/11”
cannot be made responsibly.

Next contention: Iraq had and has
nothing to do with the global war on
terror. That is flat dead wrong. Hardly
anyone can refute the fact that Iraq
has become the gathering place for
Suni extremists who wish to wage war
against the United States. From their
optic, the terrorists have a plethora of
targets with the presence of U.S. forces
in Iraq. They are also motivated to
combat our policy of fostering a plural-
istic, open, and democratic government
in the Greater Middle East.

Instead, the terrorists wish to
distort Islam’s true meaning, wage an unholy
war against Iraq’s Shi’a, and induce a
sectarian civil war during the after-
math of which the terrorists would like
to establish a Taliban-like state in
Iraq. These same terrorists are also
motivated by their desire to evict U.S.
forces not only from Iraq but from the
Greater Arab Middle East, and they
view our mission in Iraq as an act of
occupation when it is a battle of libera-
tion. That battle is one of hearts and
minds; a battle, however, that the Iraqi
people are determined to win, along
with our assistance, as demonstrated

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by the 58-percent voter turnout in January, where they elected a new national government, and also by the continuing willingness of Iraqis—to face the danger of terrorist suicide attacks—to sign up to serve to keep the peace.

But terrorism is not a new phenomenon in Iraq. Chief among the terrorists in Iraq today, Abu Musab al-Zarqawi, was known to have been in Baghdad since at least mid-2002. You might ask, how can a terrorist of Zarqawi’s notoriety operate, let alone live, in a Stalinist police state such as that of Saddam’s Iraq, without the former regime’s knowledge, if not consent. The answer is simple, Saddam knew Zarqawi was there, undoubtedly.

When asked about Iraq’s al-Qaida relationship by CNN’s Wolf Blitzer, on February 5, 2003, the vice chair of our Senate Intelligence Committee agreed that his presence in Iraq before the war was troubling. He said, “The fact that Zarqawi got to be in Baghdad rests at rest, in fairly dramatic terms, that there is at least substantial connection between Saddam and al-Qaeda.”

However, long before Zarqawi desecended upon Iraq, Abu Nidal, the secular terrorist leader and founder of the Abu Nidal organization, lived in Iraq from 1998 until he died in 2002. Over the years, that organization carried out terrorist attacks in 20 countries, killing or injuring almost 900 people, including hijacking of Pan Am flight 735 in Karachi in 1986 and the assassination of a Jordanian diplomat in Lebanon in 1994. Abu Nidal was arguably the world’s most ruthless terrorist until the rise of Saddam Hussein. He lived and flourished in Saddam’s Iraq for 4 years.

In 1993, the Iraqi Intelligence Service directed and pursued an attempt to assassinate, through the use of a powerful car bomb, former President George Bush of the United States. The authorities thwarted the terrorist plot and arrested 16 suspects led by two Iraqi nationals.

Finally, Abdul Rahman Yasin, who was indicted in the United States for mixing the chemicals in the bomb that exploded beneath the World Trade Center in 1993, arrived in Baghdad during July of 1994. Upon his arrival, Yasin traveled freely and received both a house and a monthly stipend from the Iraqi regime. That his story is not at rest, is the natural reaction.

Handing Over the Mic

(See exhibit 1.)

Mr. BOND. I believe that article says it all. Michael Graham’s sampling of U.S. military personnel was random, varied, not controlled by the Pentagon. The sample may be small, but 100 troops believe in the war in Iraq and that we are going to win.

History and us that the first casualty of war is truth. The first casualty of political battles can often be the men and women fighting the real battles while executing our Nation’s policies. Let us not debase the memories of those who have laid such a sacrifice on the altar of freedom with meaningless finger-pointing exercises. Let’s speak with truth about the issues and facts at hand.

The PRESIDING OFFICER. The Senator’s time has expired.

Mr. BOND. I thank the Chair, and I yield the floor.

EXHIBIT 1

HANDBOOK OVER THE MIC

TROOPS TALK FROM IRAQ

(By Michael Graham)

I just spent a week in Kuwait cultivating a skill that I, as a talk-show host, have found nearly impossible to master: shutting up.

Turns out, it was easier than I thought, at least in Iraq. When you’re listening to a 20-year-old kid from Indiana tell how he earned his second Purple Heart, speechlessness is the natural reaction.

I was there as part of the much-maligned “Truth Tour” organized by Move America Forward, a conservative group based in California. According to reports in the mainstream media, I was part of a “propaganda” junket paid for by the Pentagon to buy some desperately needed positive coverage of the unwinnable military endeavor. All I can say is: If this was a junket, it was the worst-run junket in the history of public relations.

My radio station and I had to pay all my expenses, I slept on a bare cot in a tent in the desert, and at some locations the only available “food” (and I use that term under protest) were MREs—which stands for “Meals Ready to Eat” assuming you’ve already eaten both shoes and most of your undergarments.”

This alleged “junket” failed in another way, too. The Pentagon didn’t control what went out over the airwaves. Then again, neither did I. I left it all up to the soldiers.

I traveled about Iraq from Camp Victory at the Baghdad International Airport to Camp Prosperity on the very edge of the Red Zone, then down the Baghdad Highway to Camp Falcon, and on to the Command Head- quarters in the heart of the city and, eventually, to the deserts of Kuwait and Camp Artisan. And everywhere I went, I flipped on my mic, sat back, and let the troops tell their story.

These soldiers weren’t stooges from Public Affairs or handpicked flag wavers foisted on me by handlers. I found some in the mess hall, others working security checkpoints; others sought me out because they have family living in the D.C. area where my radio show is broadcast. The least fortunate were the soldiers in Humvees stuck with “tourist duty,” four friendly but serious men who got stuck with a couple of bonehead radio talk show hosts riding along, and yet they over-whelmingly had the same things to say about the war in Iraq:

“We believe in the mission.”

“We’re making progress.”

“The Iraqis are making progress, too.”

And, perhaps most important of all: “We’re going to win.”

I expected to hear this sort of positive assessment from General George Casey, command- er of operations in Iraq, when I interview- ed him at his headquarters deep inside the International Zone. I found out that, one year ago, there was just one standing battle in the Iraqi army, but there are
107 battalions today, he was doing his job of supporting the war. And I expected it from Lt. General Steve Whitcomb, commanding general of the 3rd Army, as he talked about successes over more than one million gallons of fuel across Iraq every day, despite the best efforts of the insurgents.

Generals are supposed to be gung ho. It comes with the paygrade.

But I heard the same, positive assessments from 23-year-old sergeants from New Iberia, La., and from PFCs from Wisconsin and Alabama, who told me that Lieutenant Li, whose Humvee had been hit by IEDs so many times he’d lost count, I heard it from Airmen Truong, who was born in Vietnam and recently returned to his native country to marry. Two weeks after “I do,” Airmen Truong was headed back to Kuwait to do his duty for his adopted country.

Again and again, from “White-collar” soldiers working in the relative safety of Camp Victory at the Baghdad airport to the “real soldiers” patrolling Route Irish (a.k.a the “Highway of Death”), I heard that America and the Iraqi army allies are winning the war against the insurgents. I was told again and again by the soldiers themselves that their (our) cause is just, the strategy is working, and the enemy they fight represents evil.

In other words, I heard things seldom heard on CBS or read in the pages of the New York Times.

It was only a week, and I have my obvious Bush-chaser-chasing bias that how much closer can a reporter get to delvering unspun, bias-free objective reporting than live-mic broadcasting instantly back to the statehouses or filters or editorial meetings. Just the young men in the hot desert telling what they’ve seen, what they’ve heard, and what they now believe based on those experiences.

Isn’t it at least significant that not one in 100 thought invading Iraq was a mistake? Was it because we expected that a random selection of 100 soldiers all believe their mission is worthwhile? Should we detect the hand of the Vast Right-Wing Conspiracy in the fact that the vast majority of the troops find the media coverage of the war ignorant, harmful, or both?

I’m proud to say that, for a week, the soldiers themselves were the editors of a major daily newspaper or a national network. I would be concerned that what they said is contrary to what I am printing or broadcasting.

But the mainstream media don’t need to hear from the soldiers. They already know that the war was a terrible mistake, that the world would be safer if we left Saddam in power, and that there is no chance for victory in Iraq.

Me, I’m not so smart. I like to let the guys on the ground tell their story. I believe it is completely possible that they know something that—I and the New York Times editorial pages do not.

THE PRESIDENTING OFFICER (Mr. CRUZ). The next hour is controlled by the minority.

The Senator from Minnesota, Mr. DAYTON. Mr. President, I am one of those who along with a number of my colleagues, who believes we should be debating not this gun liability bill but the Department of Defense authorization bill for the coming fiscal year. I serve on that committee. It was a good bipartisan effort. I was planning to offer an amendment to add $320 million for childcare and family support for the families of reservists and National Guard men and women who are called to active duty. Others had amendments, including one regarding BRAC, of particular note to me and others in Minnesota affected by that process.

But we are not on that bill. Instead, we are dealing with the most special interest legislation I have encountered in my 4½ years in the Senate. We are going to leave at the end of this week for a month and we have one last window of opportunity to take what could be an important measure before the Nation and the Senate. Instead, we get this special interest bill.

We are not on stem cell legislation that would allow us to create a medically and scientifically based framework to protect the sanctity of human life or prohibit cloning, and yet still allow medical research that could save many thousands of lives for years to come. That is not the Republican leadership’s top priority.

Nor is the constitutional amendment to prohibit the burning or desecration of the American flag, of which I am a proud co-sponsor, brought to the Senate. In my 4½ years in the Senate, not once has the House measure gone to the Senate for an up-or-down vote by the Senate. Evidently it won’t happen this week, either, because, again, that does not rate as a top priority.

No, according to the Republican leadership, the most important issue facing America and earning the most urgent attention of the Senate is the supposed need to give special immunity from the standards for negligence and product liability that apply to all other businesses and all other products. When this legislation passes, and it will pass with ease, because the NRA, National Rifle Association, has the money and the political clout to get whatever it wants. The Senate has shown how unnecessary, unfair, or ill advised it is, this will bill soon become the law of the land.

One of its findings is:

(7) The liability actions commenced or contemplated by the Federal Government, States, municipalities, and private interest groups and others are based on theories without foundation and hundreds of years of common law and jurisprudence of the United States and do not represent a bona fide expansion of the common law. The possible sustaining of these actions by a merk and judicial or maverick judicial officer or petit jury would expand civil liability in a manner never contemplated by the framers of the Constitution, by Congress, or by the legislatures of the several States. Such an expansion would constitute a deprivation of rights, privileges and immunities guaranteed to a citizen of the United States under the Fourteenth Amendment, to the United States Constitution.

It goes on to say the purpose is to preserve a citizen’s access to a supply of firearms and ammunition for all lawful purposes, something I certainly support.

It goes on to say the purpose is to protect the right, under the first amendment of the Constitution of manufacturers, distributors, dealers, and importers of firearms or ammunition products, and trade associations to speak freely, to assemble peacefully, and to petition the Government for redress of their grievances.

This legislation is supposedly necessary to protect the sacred rights of people in the lawful business of manufacturing, distributing, or selling firearm and buying the same.

In the manufactured hysteria of this fabricated crisis, the Government or a maverick judicial officer or a petit jury is evidently threatening to violate the first amendment, the second amendment, and the 14th amendment rights of all gun manufacturers, distributors, and dealers in the United States of America. What utter nonsense. But if the National Rifle Association says the sky is green and the grass is blue, the majority of Congress will run for the paint.

I strongly support the second amendment of the U.S. Constitution. I am a gun owner myself. This bill does not benefit gun owners or hunters, who are most of the NRA members. They are being used to give special favors and special treatment to someone’s special friends and someone’s big contributor.

Last year, according to industry data, there were over 1.3 million handguns sold in the United States. That is just handguns. Sales totaled $605 million. The sales of rifles and shotguns last year totaled $1 billion. The number of long guns sold was not available, but simple math puts that number well over 2 million rifles and shotguns sold in the United States last year.

Given that volume of sales and weapons available, can anyone believe any law-abiding American’s constitutional right to lawfully purchase and own as many guns as he or she wants is being endangered? What nonsense. Absolute nonsense.

Our major gun manufacturers are certainly not in danger. Smith and Wesson’s most recent annual report showed net product sales of $118 million last year, an increase of almost 20 percent over the previous year. Sturm, Ruger and Company on July 20 of this year reported net sales for the 6 months ended June 30, 2005 as $78.7 million, an 8-percent increase over 2004, and the chief executive stated firearm unit shipments in the second quarter increased $1 billion. The number from the prior year due to strong demand.

This is not an industry being hounded out of business. Would the industry like to rid itself of all lawsuits stemming from products and sales? Of course, and so would every other industry and company in America. I am not here to defend our Nation’s litigation practices, which are often excessive and sometimes even extreme, but whatever so-called reforms are made should apply to everyone. Gun manufacturers, distributors, dealers, and only people who make and sell potentially dangerous products or products that can be used illegally and misused. And
judges and juries are not indiscriminately finding against gun manufacturers. Most are probably gun owners and hunters as well.

Despite what the NRA peddles to its members to justify its existence and their annual amendment is accepted and respected by the overwhelming majority of Americans and there is no threat to responsible manufacturers, dealers, lawful buyers, or owners of the millions of guns in America.

There is no justification for this special legislation and the special treatment it gives to that industry.

Of course, the gun industry is accustomed to getting special treatment from Congress. Firearms and tobacco are the only two consumer products specifically exempt from regulation by the Consumer Products Safety Commission. What an exemption. I have to hand it to the NRA, whether I agree with them or not, they sure know how to operate around here. Many industries and even individual corporations pour a lot more money into lobbying and into political contributions than the NRA and they do not get nearly the special treatment, special favors from Congress the gun lobby does—a complete exemption from consumer product safety laws and regulations, and now almost complete immunity for lawsuits from negligence or product malfunctions. All other businesses and industries in America are in discount coach while the gun lobby has special privileges flying first class on Air America under this Congress and preceding Congresses.

It is because there is that exemption from the consumer product safety laws of this country that some of these lawsuits, not frivolous, but determined by a judge or jury through the process to be legitimate and bona fide, and the resulting civil damages are necessary to move the industry to take some of the safety actions it can technologically and financially certainly afford to make that it probably would not do otherwise.

For example, take Bushmaster. Their dealer lost the sniper’s assault rifle along with 238 other guns that were then used by the snipers against the innocent victims in Washington, DC. As a result of its settlement with the victims of those families, they agreed also to inform their dealers of safer sales practices so that lawfully will find other criminals from obtaining the guns, something that had never been done before.

In June of 2004, two former New Jersey police officers were shot in the line of duty with a trafficked gun negligently sold by a West Virginia dealer. They won a $1 million settlement, and the dealer who sold the gun, along with 11 other handguns in a cash sale to a straw buyer for a gun trafficker—after that lawsuit that dealer, as well as two other pawnshops, agreed to implement safer practices to prevent sales to traffickers, including a policy of ending large-volume sales of handguns.

In 2004 also, Tennille Jefferson, whose 7-year-old son was unintentionally killed by another child with a trafficked gun, won a settlement from a gun dealer that amounted to $850,000. The handgun was one of many the dealer sold to the trafficker despite clear evidence of the gun in the underground market. That, too, resulted in changes in policies and sales practices that hopefully will prevent other mothers from suffering that terrible fate of losing a child.

I am not aware of any one of those cases filed against the manufacturers or dealers is proper. Again, that is for the process to determine. But there is no evidence, no evidence at all, that there is anything about the nature of these suits, the outcomes of them, the jury awards relative to the damages that have occurred, that indicates this industry is being prejudiced or plagued by those who they contrive to be doing so, to justify this legislation. If we are going to do anything to control this industry in this country, let’s do it openly and aboveboard with all industries, all of American businesses affected equally by those changes. To single out one industry, particularly one that manufacturers products, potentially, as dangerous as guns, is just a terrible day for the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, this is a sad day in the Senate. It is a sad day in two respects. Yesterday, we were debating a bill, the Department of Defense Authorization Act. It is an important bill. It is a $440 billion bill for our American military: our soldiers, sailors, marines, airmen, members of the Coast Guard, Guard and Reserve. We were trying, in that bill, to help our fighting men and women and their families.

We had a long list of amendments that we wanted to consider: extra pay for totally disabled veterans, help for the widows and orphans of combat soldiers who die in the line of duty, fair compensation for Guard and Reserve when they are activated and they are Federal employees, day care for the families of soldiers who are activated, quality-of-life issues for the men and women in uniform who are fighting for America.

A decision was made by the Republican leadership to leave that bill, leave that issue, to come to this one. What could be more important for us to consider than the safety, the lives, and fortunes of the men and women who serve our country and risk their lives, on military duty, and their families?

Well, in the estimation of the Republican leader, Senator Frist, there was one issue that was more important than talking about our men and women in uniform. That issue was providing the immunity from liability for one industry in America, to say that of all the businesses in America that provide us with goods and services, all of the businesses that are currently held responsible for wrongdoing, we will create one exception. We will say, if the gun industry is guilty of wrongdoing, they cannot be sued. That is right. The firearm industry, which sells millions of firearms each year to civilians in the United States, should not be held responsible for their bad conduct and wrongdoing.

It is hard to say those words and not shake your head. If personal responsibility, how is it that an American and an American business man or woman, why in the world would you exempt one industry and say they are special, they are political royalty, they cannot be held liable for their misconduct? And why did we move to this bill and away from the Department of Defense authorization bill to help our soldiers and their families? The answer is too obvious. It is because of the political clout of the National Rifle Association and the gun lobby. It is the only group I can think of which would just go straightforward with the concept they are more important to the Senate calendar than the fighting men and women who are now risking their lives for our country. They have done it before, many times.

The NRA runs certain people in this Chamber and on the other side when it comes to the agenda. They decide what will be taken up and what amendments will pass—an extremely powerful group. The NRA succeeded in having the Senate debate guns—and that is a rare debate—but only when it comes to this question of gun immunity.

Isn’t it interesting, we want to put an amendment on this bill that says when you sell a firearm you have to check to see if the purchaser is on a watch list of terrorists. Is that unreasonable? If you have computer access through your store—and these stores do—shouldn’t you check to see if that individual standing in front of you is on the watch list for terrorism in America? That concept is rejected by the National Rifle Association. Background checks: extremely limited. Information gathered about criminal people is to be destroyed so quickly that it is of little value to law enforcement.

A March 2005 report from the Government Accountability Office found that between February and June of 2004, the U.S. government, the NRA succeeded in having the U.S. list 44 times to buy guns. It is not unheard of. It happens in this country. In only nine instances were they turned down. In the months since the study ended, 12 more suspected terrorists had the green light to buy or carry guns.

FBI Director Bob Mueller—who I respect very much—said he was forming a group to study the problem. Why aren’t we talking about this instead of granting immunity for the gun dealer who sells a weapon to someone he should have known could misuse it for a crime or for terrorism? We are shielding them from civil liability for not
living up to their responsibility when it comes to the sale of lethal firearms.

Or we could talk about ways to solve the problem in America of guns being trafficked, many crossing State lines, and used in crimes. The ATF says 90 percent of crimes guns used in the United States originated in another State. By 1996, 47 percent of crimes guns traced back to Illinois origin. One State, Illinois—the little State of Mississippi—is far and away the per capita leader in selling guns exported from their State and used in crime. Do you know why? Because firearms laws are not really strictly enforced in Mississippi, and some other States.

From 2000 to 2002, Department of Justice prosecutors filed three cases in Mississippi for violations of gun trafficking laws. In contrast, 32 cases were filed in Kentucky, 28 in Tennessee. So we have gun dealers in Mississippi selling trunkloads of guns to people who get them and drive up to Illinois and, perhaps, your State, too, selling them to gun gangs and drug gangs on the streets, and then spreading out these guns to kill innocent people. And the people pushing this bill are arguing that we should not hold those firearms dealers responsible because they did not “know” that a crime was going to be committed.

One hundred “Saturday night specials” to stick in the trunk of your car, junk guns, that you would never use for sports or hunting, and they didn’t know? They should have known. That is a standard in law almost everywhere: that you knew or should have known. They are changing the law. They are saying firearms dealers, we are not going to hold them to this same standard that we hold every other business in America to when people buy products.

There are a lot of other issues we could talk about, the gun show loophole, and others. But I think one of the most important things we could talk about is why this bill is on the floor today. It is not because gun manufacturers and gun dealers are facing bankruptcy and a lot of litigation. I read into the RECORD yesterday—and will not repeat—the major gun manufacturers in this country have no problems in terms of profitability. In fact, one of the leading companies, Smith & Wesson, said:

In the nine months ended January 31, 2005, [Smith & Wesson] incurred $4,535 in [legal] defense costs, net of amounts received from insurance to reduce to product liability and municipal litigation.

Mr. President, $4,500—does that sound like a business crisis that would move a gun immunity bill to the front of the calendar in front of the Department of Defense authorization bill? What it comes down to is this gun lobby has a lot of clout, and they are pushing for this sweeping immunity.

What kind of cases are we talking about? I said to my staff, you can talk about the law. And I could stand here as a person trained in law school and go through the obvious problems with this bill. But I think it is more important to talk about real-life situations. It is more important to illustrate why this is such a terrible bill.

Let me tell you about Anthony Oliver. Anthony Oliver was 14 years old. He was shot and killed on July 23 of last year. They had a $120,000 jury verdict against Lou’s pawnshop that continues to sell these guns used in crime. So what a great piece of news for that family: the tragedy of losing your 14-year-old son to a “Saturday night special” from a pawnshop which specializes in selling guns to gun traffickers and criminals. This is a great bill, isn’t it?

Let me tell you about another case. Danny Guzman was a 26-year-old father of two from Worcester, MA, killed by a stray bullet fired outside of a nightclub on Christmas Eve in 1999.

After the shooting, the loaded gun used in the shooting was found behind an apartment building by a 4-year-old child. The gun had no serial number. They determined the gun was one of thousands stolen from Kahr Arms, a Worcester gun manufacturer, by their own employees, who hired many of these employees and, it turns out, never checked whether they had criminal records.

One of the thieves, Mark Cronin, who worked for this gun manufacturer, had been hired despite his history of crack addiction, theft, alcohol abuse, violence, and assault and battery. They did not check it. The gun manufacturer hired people to make guns and did not do a criminal background check on their employees.

Cronin told an associate that he took guns out of the Kahr company “all the time” and that he could just walk out the door with them. They traced it to Lou’s pawnshop—which specializes in selling guns to gun traffickers and criminals. This is a great bill, isn’t it?

The investigation also led to the arrest of another employee, Scott Anderson, who had a criminal history, who pled guilty to stealing guns from the company.

One of Kahr firearms disappeared in a 5-year period. The local police captain classified the recordkeeping at that facility as “shoddy,” that it was possible to remove weapons without detection because they did not keep their records well.

Danny Guzman’s family brought a wrongful death suit in Massachusetts State court against the owner of the gun manufacturing company, saying: You should have kept your records so you know that gun was really stolen. And you certainly should have done a background check on your employees. Hiring somebody who has such a criminal record to work in a plant
that makes guns is clearly a question of negligence.

The trial judge denied the efforts of the company to dismiss the lawsuit, and it is still pending. Do you know what happens to that lawsuit by the family of a gun manufacturer against an arms manufacturer if we pass this bill? It is immediately removed. They have no rights in court to pursue that. Why? Why would we say to a person who owns a company that makes guns that you are held to a lesser standard than a person who owns a company that makes toys? That is what it boils down to. You are doing it because the gun lobby insists on it. They want this immunity.

The case that has brought many police officers forward—and I will close with this—involves police officers. The last time we debated this bill, we said: Shouldn’t we at least create an exception that if the gun is used to kill a police officer in the line of duty and we are going to hold a gun dealer responsible if they should have known that? Wouldn’t we hold a gun manufacturer responsible if they were involved in supplying guns to Lou’s Pawnshop, which ranks one of the highest in the Nation for guns over to criminals? So we asked for an exception for law enforcement. It was defeated. All the people here who talk about law and order and how much they love policemen in uniform defending our communities in combating drugs with the lives voted against them when they had a chance to put that exception in the law.

Let me give you a specific example. On January 12, 2001, police officers in Orange, NJ, were performing undercover surveillance at a gas station that had been robbed repeatedly. Someone acting suspiciously walked up to the gas station and then turned away. When Detective David Lemongello approached a few blocks away to question him, he responded by turning and opening fire. Detective Lemongello was hit in the chest and left arm, and the suspect fled. When additional officers, including Kenneth McGuire, found the man hiding beneath some bushes, the man started shooting again. Officer McGuire was hit in the abdomen and right leg. McGuire and two other officers returned fire and killed the men, even though they had been hit. However, Lemongello and Officer McGuire survived, they have suffered serious, debilitating injuries.

The man who shot them was wanted for attempted murder and had been arrested several times. So how did he get a gun? How did this man come into possession of a gun? Gun trafficking James Gray traveled from New Jersey to West Virginia to buy his guns. He and his companion, Tammi Lea Songer, visited Will’s Jewelry and Loan in a pawnshop in Beckley, WV, and Songer acted as a “straw purchaser” by buying the gun for Gray who couldn’t purchase it himself because he was a three-time convicted felon and out-of-State resident. The girlfriend bought the gun while he was standing there. Good old Bill’s Jewelry and Loan took the cash and handed the gun over.

The gun was turned to Will’s 17 days later, purchased 12 more guns—see the pattern—which the girlfriend bought and paid for with thousands of dollars in cash. Should the gun dealer have been saying at this point, This looks a little fishy? I think so. Reasonable people would. Gray picked out the guns for the girlfriend to purchase in full view of Will’s Jewelry and Loan pawnshop personnel, a clear signal this was a “straw purchase.” One of those guns was the gun used to shoot these police officers, McGuire and Lemongello.

Will’s personnel had reservations regarding the nature of the transaction but went through with it anyway before contacting the ATF to report their suspicions. The ATF then contacted the girlfriend, Tammy Songer, who agreed to assist them in a sting operation that resulted in the capture of Gray. However, in the time it took the ATF to set up its sting, Gray had already trafficked the gun—sold it on the street—sold it to one of his customers to use to shoot these police officers.

The police officers and their families are suing the gun dealer, saying: You didn’t use good sense and any reasonable standard of conduct in selling to this guy’s girlfriend when you should have known something fishy was up. So they have a lawsuit against them and the manufacturer. Do you know what happens to this lawsuit from these policemen if this bill passes? It is over. Not another day in court. No chance for these wounded policemen or their families to recover.

Will’s settled, incidentally, with Officers McGuire and Lemongello for a million and agreed to change its procedures in terms of underground traffic—seller. If the current bill passes before this settlement is reached and final, justice will not have been done. The shop would not have agreed to take the steps to make the streets safer. That is what we are up against—people who want to stand behind and protect gun dealers who are selling guns that they should know are going out on the streets to menace and threaten innocent people.

As we are preparing to move on to the confirmation hearings, I urge him to be forthcoming at his up-coming hearing. The Judiciary Committee has already sent him a questionnaires seeking to understand the nomination. Most importantly, Chairman Specter and I have already begun laying the groundwork for full and fair hearings which we are both committed to holding. I expect that we will soon be able to announce the Judiciary Committee’s schedule for those hearings.

Late yesterday, the White House provided some documents from Mr. Roberts’ time when he served as special counsel to Attorney General William French Smith during the Reagan administration. None of us had requested these particular documents but, of course, we are always happy to receive anything they want to send. There are at least three categories of documents from Mr. Roberts’ years in the executive branch that are relevant to this nomination.

The second group relates to Mr. Roberts’ work from 1982 to 1986 as an associate White House counsel to Attorney General William P. Barr. The third relates to Mr. Roberts’ time when he served as special counsel to Attorney General William French Smith during the Reagan administration. These are apparently kept in the Reagan Library in California.

Yesterday, in our continuing effort to expedite the process, we sent a letter to the White House asking that the files from those years be made available as quickly as possible, and to help speed it up, we identified by name the files we wished to be priorities. I hope the reported statements by White House officials that they have kept weeks indicating they expect it will take 3 or 4 weeks to make these materials available are in error and, instead,
they can be made available on a prompt basis, not a delayed basis. Otherwise, it would almost appear—I certainly wouldn’t want to suggest the White House would do this—that they are trying to make sure the documents arrive before the hearings so that they or arrive after the hearings so that the time of the hearings, there would be no time to review them. I trust there will be those at the White House who would understand this would be the wrong way to proceed and would actually in the long run, end up adding more time to the process.

The third category of files is from Mr. Roberts’ work when he was a political appointee in the Justice Department’s Office of the Solicitor General. He served as Kenneth Starr’s principal deputy during the prior Bush administration. The reason I say these are important, the President said that his work at this time was one of the reasons he selected Judge Roberts as his nominee. Of course, the President has every right to consider whatever reasons for a Supreme Court nominee. Having said that, however, in carrying out its responsibilities, it is appro- priate that the Senate also be entitled to the same kind of information that the White House weighed in making its decision about this nomination. In other words, if this work is one of the reasons they say he is qualified to be on the Supreme Court, then all the more reason the 100 Members of the Senate should be able to see it and make up our own minds.

Actually, it might be the most in- formative of the documents we are going to receive. We could get a practical sense of how, when, and why politics and the law intersect for him. I am not expecting to seek production of all the files and the hundreds of matters on which Mr. Roberts worked in those critical years. Nobody is asking for that. Rather, in our effort to cooperate and expedite the process, we are putting together a targeted catalog of documents. I hope we can work with Chairman Specter to send a reason- ably proportionate request for a selected group of those files.

In that regard, I ask unanimous con- sent that a copy of the letter we sent to the White House yesterday be print- ed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
WASHINGTON, DC, JUly 26, 2005.

Hon. GEORGE W. BUSH,
THE WHITE HOUSE,
WASHINGTON, DC.

DEANDRE PRESIDENT: We are disappointed that the White House appears to have so quickly moved to close off access by the Senate to important and informative documents written by Judge Roberts while he was at the Department of Justice. According to news reports today, your Administration may be preemptively protecting documentation not formally requested yet by the Committee—documents that could very well hold important informa-
Let's remember this is not to see who scores political points. This is to determine how we protect the rights of all Americans—the ultimate check and balance for all Americans. This is somebody who could well serve until the end of years, as I hope to see him do. Mr. President, I see the distinguished senior Senator from Rhode Island. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. FEED. Mr. President, I commend the Senator from Vermont for his eloquent remarks. I will talk about the legislation before us, the gun liability legislation.

The legislation before us cannot be all things. It cannot be an effective barrier against litigation to protect the gun industry and, at the same time, be a way to protect legitimate rights of citizens who have been injured or killed by guns. It is not both; it is not either. It is, cleverly worded legislation to immunize the entire gun industry from virtually any type of liability.

There are, perhaps, minor exceptions, but the most important, compelling cases in recent years—cases such as the case of Danny Guzman are one to be reviewed by your panel by a drug-addicted employee who had even been stamped on them, rendering them virtually untraceable. Some point has been made about the fact that it is illegal to erase serial numbers. These people were able to get these weapons, serial numbers were imprinted upon the weapons, so that law would not apply at all. The guns were then resold to criminals in exchange for money and drugs. The loaded gun that killed Mr. Guzman was found by a 4-year-old behind an apartment building near the scene of the shooting. Thank goodness that 4-year-old didn’t decide to test the weapon himself or herself.

Had Kahr Arms performed background tests of drug dealers on prospective employees, or secured its facility to prevent theft, Danny Guzman might be alive today. A Massachusetts court held that the suit states a valid legal claim for negligence, but this bill would throw the case out of court, denying Danny’s family their day in court.

Again, this is the Congress reaching into a State court and telling that judge, we don’t care what your law says, we don’t care about 200 years of legal precedent. Massachusetts or any other State in the country amounts to. This suit should be stricken, taken out, thrown out.

This legislation is sweeping and it is unprecedented. It deals a serious blow to citizens throughout this country, while enhancing dramatically the legal protections for the gun industry. Now, the bill’s proponents repeatedly say you cannot hold someone responsible for the criminal actions of another—as I told you in our colloquy about the intervening criminal actions of another.

First of all, that is not what this case is about. And, frankly, that is not the law. I am surprised that my colleagues are attorneys would come down on the side of the law. I am surprised that my colleagues who are attorneys would come down about holding individuals and corporations and associations associated with them.

Certainly, this standard of care the community should expect from anyone involved in this type of business. Is that the standard of care? No, it is not the standard we expect. It is not the standard we expect. It is particularly not the standard when you are dealing with weapons that can kill people. I would think most Americans on the streets, if you asked them, would say you say gun dealers and manufacturers should be a little more cautious than people who make other items. I think the answer would be, invariable: Yes, of course. These are inherently dangerous products.

So this is not about punishing people for the criminal activities of others. It is about holding individuals and corporations up to the product we expect from everybody. There are various examples. Some say, my goodness, if a store sells someone a knife that is then used in a crime, they should not be responsible. Others have talked about car dealers. But if you drive, you have the responsibility to act in a way that will not unnecessarily cause harm to others. What should be decided in a court is whether they lived up to that duty. If this legislation passes, they will be denied the opportunity to determine whether their duty to the community was upheld.

This is about responsibility for their actions—in this case, the actions of Kahr Arms. I have repeatedly said of gun manufacturers, it is their responsibility. It is their requirement and the obligation to take precautions to use the standard of care a businessperson would use in the conduct of that business—the standard of care any businessperson would use. Certainly, this standard of care should apply to those who manufacture weapons, who sell weapons, and the trade associations associated with them.

The allegation in all these cases is that they failed to do that—not that they were unwitting, incidental victims of a criminal mind, but that they failed in their duty. Bull’s Eye Shooter Supply in Washington State, for example, who supplied the Washington sniper numbers, could not account for 238 weapons. They had no idea where they were. The evidence was overwhelming that there was no standard of adequate care, no effective controls on inventory. The owner of that gun store claimed a teenager—he didn’t realize it at the time—must have walked in and shopped a 3-foot-long sniper weapon and carried it away, undetected, during business hours. In fact, this was missing without his knowledge for weeks and months. That is not the standard of care the community should expect from anyone engaged in this type of business. Is that the standard of care? No, it is not the standard we expect. It is particularly not the standard when you are dealing with weapons that can kill people. I would think most Americans on the streets, if you asked them, would say you say gun dealers and manufacturers should be a little more cautious than people who make other items. I think the answer would be, invariable: Yes, of course. These are inherently dangerous products.
They cannot make them so easily available that a young person would take the car and get into an accident. That applies to automobile dealers.

But if this legislation passes, common sense doesn’t apply to the gun industry. In fact this is a license for irresponsibility we are considering today. Whatever precautions they are taking today, because they might anticipate this type of danger and anticipate, perhaps, litigation, there is no $100 million today to take those rudimentary precautions. There will be a race to the bottom, to the worst standards of the industry, to the worst operations of the worst operators.

With this bill, we are saying, in addition to your Federal firearms license, you get another license; you can be irresponsible. That is not to suggest all dealers and manufacturers are irresponsible. But some are. Those very few who are very few have landed in court—very few.

We talk about junk lawsuits. It is not a junk lawsuit when your husband has been shot by a sniper while sitting in a bus waiting to go to work, to drive his bus, to service this community, to pick people up and get them to work. I don’t think the families of Conrad Johnson volunteered to be part of a social experiment. I think any suggestion to that effect is offensive. They have been harmed grievously. A wife lost her husband. Children have lost their father. The loss of civil rights to this family is in question. They seek redress, as anybody would. That is not a junk lawsuit.

On the contrary, these families have been harmed, in part, because of the negligence of someone, and that someone should pay. The suggestion that this legislation is in response to some avalanche of lawsuits that is devastating the firearms industry is without foundation. The industry is so stressed that they have managed to raise $100 million to protect themselves—not just in terms of going to court and paying claims, but also in terms of controlling documents and communications between themselves and their attorneys, so they can claim the benefits of the law, attorney-client privilege, at the same time they are trying to take away the benefits of the law from average citizens who have been harmed by guns.

That is a stunning hypocrisy. The industry that seems to be without resources. As my colleagues have said, and as I have said, in some of these annual reports to the SEC, companies have said there were adverse effects because of these suits, but “don’t worry, stockholders, we are not losing any money.” One company reported out-of-pocket costs of $4,500 in a period of less than a year for this type of litigation—$4,500. For that, we are here on this floor to take away rights of Americans they have enjoyed for over 200 years or to take away, or to they have been harmed by a negligent industry, and let a jury of their peers decide it.

We are not facing a situation where we would be without gun manufacturers because of these lawsuits. It is outlandish to suggest our national security is being jeopardized because we cannot find people in the United States who produce firearms, and that American companies are subject to this torrent of lawsuits. And the suggestion that we have to turn to firearms suppliers for our military is rather odd. Indeed, today, many, if not most, of the suppliers for national defense are the subsidiaries of foreign companies. Browning, Winchester, and Fabrique Nationale, which supplies M-16 A-4 assault rifles and the M-2 49G squad automatic weapons are subsidiaries of Herstal, a Belgian firm. The Pentagon contracted with H&K, a German firm, to help develop the next generation of weapons.

Clearly, the Pentagon doesn’t believe American manufacturers are so distressed that they have to go overseas. They are going overseas because they are looking for what they consider to be the best product and best design. They are dealing with subsidiaries of foreign companies. The suggestion, of course, that these suits are driving American and the Pentagon away from acquiring American-made weapons is ludicrous.

It is not about preserving our defense. It has nothing to do with our defense. The Pentagon is making decisions to buy foreign weapons because they believe they are better weapons. This is about protecting one industry from the legal responsibility to exercise caution, a responsibility every individual must exercise. All industries must do that or, indeed, the vast majority.

This is not about protecting the integrity of the courts. What does it say to the integrity of the courts of West Virginia when a judge found that a suit brought by three county police officers should proceed, when we say: No, you are wrong, throw that case out. What will it say to Massachusetts courts if we pass this legislation when that case against Kahr Arms is thrown out the door? It will say we are meddling in the affairs of the courts in an unprecedented fashion. Thankfully, Officers Lemongello and McGuire were able to settle their legitimate case, but there are cases pending, and those cases are able to call up the Defense authorization bill.

I urge my colleagues to reject this gun industry immunity bill.

I want to make one other point before I yield the floor. Much has been made of a letter from the Beretta Company about the danger of an avalanche of lawsuits. If you look closely, what has happened is the District of Columbia, their duly constituted legislative body, passed a strict liability bill. The courts have upheld that. They say it is appropriate. That is the American system. In fact, the American system demands that we are trying to do today. That is a strict liability bill, and that may raise concerns with the gun industry. This bill goes way beyond strict liability. It says simple negligence is out the door, and to conflate those two arguments does a great disservice to the accuracy of the truth of this debate.

Mr. President, I believe my time has expired. I yield the floor to Mr. Craig.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that we stay on the Defense bill and that upon completion of that bill, we go to the gun liability legislation.

Mr. FRIST. Reserving the right to object. Mr. President, reflecting on yesterday, if we had invoked cloture yesterday, we would have been able to complete the Department of Defense authorization bill. We were unable to invoke cloture. I made it clear at that time at some point we would return to the Department of Defense authorization bill, a very important bill.

At the same time, we have about five pieces of legislation we have to address over the next 72 hours. We need to move on, as we will. Also, the chairman and ranking member will have the opportunity over the next few days and weeks to take these more than 200 amendments, look at those amendments and see how many are absolutely necessary, based on their judgment, and then we can come back and address the issue of defense.

Finally, I ask that the Democratic leader consider my request from yesterday so that at any time determined by the majority leader, in consultation with the Democratic leader, then the Senate resume consideration of the Defense authorization bill.

Mr. REID. Mr. President, if the Senator will withhold for one second, there is now before the Senate a request to stay on the Defense bill and finish the gun bill when the Defense bill is finished. It is my understanding the distinguished majority leader has asked to modify that request so that he is able to call up the Defense bill at any time he wishes; is that the way I understand the request as modified?

Mr. FRIST. Mr. President, I will phrase it that at any time determined by the majority leader, after consultation with the Democratic leader, the Senate will resume consideration of the Defense authorization bill.

Mr. REID. Mr. President, I understand that. I am disappointed we are not going to the Defense bill. My understanding is that this bill, on the Record consistently and repeatedly, so there is no need for me to give that speech again.
Mr. KENNEDY. Reserving the right to object, can the leader give us some indication as to when we will go on the Defense authorization bill, as one who has an amendment and is glad to participate?

Mr. FRIST. Mr. President, I am happy to say, that is why I specifically stated in my unanimous consent request “in consultation with the Democratic leader.” Until we get through the highway bill, the Energy bill, Interior appropriations, Legislative Branch appropriations, and gun liability, it is going to be hard for me to predict exactly when—plus we have a 5-week recess between now and then.

The whole point of my unanimous consent request is I stay in touch through consultation with the Democratic leader to find the appropriate time.

Mr. KENNEDY. Mr. President, I will not object. My feeling is, I regretted the fact we got off the Defense bill—particularly because of its importance to our national security—to go on to this gun liability bill. I am not going to object to the leader coming back. As one who has an amendment—I know many of our colleagues were eager to focus on those amendments. We will expect to hear from our leader as to when the leader will do that.

Further reserving the right to object, is it the intention of the leader to permit amendments to the gun liability bill so we will, now that we are on that legislation, at least be able to talk about and offer amendments on the gun liability legislation?

Mr. FRIST. Mr. President, it is our intention that we will be offering an amendment shortly—but we will be in discussions with the leadership and the ranking member and chairman discussing amendments and allowing them to be offered accordingly in the judgment of the chairman and ranking member and the leadership.

Mr. KENNEDY. Mr. President, I am not going to object to the other, but that sounds to me as if—having been around and familiar with the rules of the Senate—they can effectively let what amendments come up that are agreeable to the floor managers and deny other Members the opportunity to offer amendments. I think the Senate rules provide, when we are dealing with cloture, to be able to offer amendments that are relevant to the underlying bill. I don’t understand why we are not going to be permitted the different options. I am not going to object to the leader being able to go to Defense authorization when he wants to, but it does seem to me we are facing a stacked deck here and denying Members under the Senate rules the opportunity which the rules provide for. It is going to be hard for me to say we are going to run consideration of the gun liability according to the Senate rules. That on the whole range of issues. The Democratic leader knows I am in constant discussion with him as to how we are going to get the business done, and the fact we did not get cloture yesterday on the Defense Department bill, we are moving ahead in an orderly fashion, hopefully in a civil way, working with the other side, through the managers on the Republican side, with the leadership in order to complete the business this week.

Mr. President, I guess we have a modified unanimous consent request that at any time determined by the majority leader after consultation with the leadership, the Senate resume consideration of the Defense authorization bill; is that correct?

The PRESIDING OFFICER. That is correct. Is there objection to the request as modified? Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will proceed to a vote on the motion to proceed to the consideration of S. 397.

The question is on agreeing to the motion.

The motion was agreed to.

ORDERS FOR THURSDAY, JUNE 28, 2007

Mr. MCCONNELL. Mr. President and colleagues in the Senate, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. tomorrow, Thursday, July 28. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate begin a period of morning business for 1 hour, with the first 30 minutes under the control of the Democratic leader or his designee and the second 30 minutes under the control of the majority leader or his designee. I further ask that following morning business, the Senate resume consideration of S. 397, the gun liability bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MCCONNELL. Tomorrow, the Senate will continue its consideration of the gun liability bill. Under an agreement reached this evening, we will debate and vote on the Kohl amendment on trigger locks. That vote will occur before lunch tomorrow. As a remainder, first-degree amendments must be filed by 1 p.m. tomorrow afternoon. We will have a cloture vote on the pending legislation, and we will announce the exact timing of that vote tomorrow.

ADJOURNMENT UNTIL 9:30 A.M.

Mr. MCCONNELL. Mr. President and colleagues in the Senate, there are no further business to come before the Senate. I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:40 p.m., adjourned until Thursday, July 28, at 9:30 a.m.

NOTICE

Incomplete record of Senate proceedings. Except for concluding business which follows, today’s Senate proceedings will be continued in Book II.

NOMINATIONS

Executive nominations received by the Senate July 27, 2005:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

KEITH E. GOTTFRIED, OF CALIFORNIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, BY VIRTUE OF THE PRESENCE OF A DANGER, TO SERVE AS ACTING DEPUTY SECRETARY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

DEPARTMENT OF STATE

ALFRED HOFFMAN, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PORTUGAL.

DEPARTMENT OF EDUCATION

MARK S. SCHRINDLER, OF THE DISTRICT OF COLUMBIA, TO BE COMMISSIONER OF EDUCATION STATISTICS FOR A TERM EXPIRING JUNE 21, 2008, VICE ROBERT LEHRMANN, EXPIRING JUNE 21, 2005, EXECUTIVE OFFICE OF THE PRESIDENT.

DEPARTMENT OF ARMED FORCES

ERHTRA K. MADRAS, OF MASSACHUSETTS, TO BE DEPUTY DIRECTOR FOR DEFENSE AND REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY, VICE ANDREA G. BAER, EXPIRING JUNE 27, 2008, NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE.


IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RANKS AND PAY RANKS INDICATED IN THE FOLLOWING PROGRAM:

COL. ERLORD SCHWARTZ, 0000

To brigadier general.
EXTENSIONS OF REMARKS

A PROCLAMATION RECOGNIZING CAPTAIN CHRISTOPHER COULSON, M.D.

HON. ROBERT W. NEY OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker: whereas, Captain Christopher Coulson has devoted himself to serving his country through his deployment to Iraq with the Ohio Army National Guard; and Whereas, Captain Coulson has dedicated 18 years in the Ohio Army National Guard; and Whereas, Captain Coulson has demonstrated a commitment to meet challenges with enthusiasm, confidence and outstanding service; and
Whereas, Captain Coulson must be commended for the hard work and dedication he continues to put forth in protecting our Nation’s freedoms and liberties.
Therefore, I join with the entire 18th Congressional District of Ohio, Chris’s family and friends in congratulating Captain Christopher Coulson as he continues to proudly serve our country overseas in Iraq.

RECOGNIZING FLINT HILL ELEMENTARY SCHOOL’S 50TH ANNIVERSARY

HON. TOM DAVIS OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. DAVIS of Virginia. Mr. Speaker, I would like to take this opportunity to pay tribute to Flint Hill Elementary School as it prepares to celebrate its 50th anniversary.

Since its establishment in 1955, Flint Hill Elementary School has committed itself to lofty standards of academic and extracurricular excellence. Over the years, as the Vienna area has expanded and diversified, Flint Hill has followed the community’s example.

To this day, Flint Hill Elementary School remains a distinguished and greatly lauded school in many respects, from the arts to academics. The school boasts a number of unique programs, from a Cultural Arts Program to the Flint Hill Elementary School Morning News Team to an annual science fair. The garden serves as a living learning environment, which includes a butterfly garden and a greenhouse. The courtyard is a result of collaborative effort and hours of hard work by students, parents, and teachers. Technology continues to be paramount at Flint Hill, and every class is equipped with a computer presentation system and access to the Internet.

The mission of Flint Hill Elementary School is to promote student learning and high academic standards, while providing a respectful learning environment that develops individual academic achievement and supports social and emotional growth.

Mr. Speaker, in closing, I would like to thank Flint Hill Elementary School faculty and staff for the immeasurable contributions they have made to the community by shaping today’s youth and tomorrow’s future. I congratulate the school on its successes over the last 50 years and I wish it more successful years in the future. I ask that my colleagues join me in applauding this outstanding and distinguished institution.

COMMENDING THE CONTINUING IMPROVEMENT IN RELATIONS BETWEEN THE UNITED STATES AND THE REPUBLIC OF INDIA

SPEECH OF
HON. ALCEE L. HASTINGS OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 2005

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to praise improved relations and partnerships between the United States and the Republic of India. The United States and India have never been as committed to each other as they are today. Our two countries are two democratic nations that hold many of the same goals and ideals in common, such as supporting democratic institutions and eradicating global terrorism. The transformation of U.S.-India relations over the past four years has indeed strengthened economic and diplomatic cooperation between our two countries.

In the past year, United States and Indian officials have met countless times to address our economic and political agendas. Under Secretary of State for Political Affairs Nicholas Burns, Secretary of Transportation Norman Mineta, former Secretary of Defense Donald Rumsfeld, and current Secretary of State Condoleezza Rice have all recently visited India to engage in constructive dialogue on improving U.S.-India relations. Additionally, Indian Defense Minister Pranab Mukherjee and External Affairs Minister Shri Natwar Singh have met with President Bush in Washington, D.C. The Vice President and Minister of India Mamnoon Singh to the United States, including last week’s bicameral address in the confines of this great Chamber also marks a commitment to the growth of our bilateral relationship.

The current acts of friendship on the part of the United States and India have demonstrated the improvement in relations and should be commended. The signing of the Next Steps in the Strategic Partnership (NSSP) initiative was an important contributor to the improved relationship between the United States and India. It addresses civilian space cooperation, civilian nuclear activities, high-technological trade and missile defense issues. Last month, both defense secretaries of the United States and India signed a ten-year military agreement. Additionally, U.S. commercial military sales to India have risen from $5.6 million in 2003 to $17.7 million in 2004, and are projected to surge to $64 million in 2005. This increase in sales demonstrates the trust and promise of our partnership.

Mr. Speaker, the United States and India have made significant strides in improving our relationship. Because of that, U.S.-India relations have never been stronger. I urge my colleagues to support this resolution and come in commending the continuing improvements in relations between the United States and the Republic of India. May our partnership with India be everlasting.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT OF 2005

SPEECH OF
HON. JANICE D. SCHAKOWSKY OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 2005

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3070) to reauthorize the human space flight, aeronautics, and science programs of the National Aeronautics and Space Administration, and for other purposes.

Ms. SCHAKOWSKY. Mr. Chairman, I rise in support of H.R. 3070, the National Aeronautics and Space Administration Authorization Act of 2005.

To support NASA’s mission is to support the fundamental ideals of the United States of America: discovery, progress, freedom and imagination. President John F. Kennedy said in September of 1962 that “we set sail on this new sea because there is new knowledge to be gained, and new rights to be won, and they must be won and used for the progress of all people.” President Kennedy understood the value of the exploration of space and his foresight was correct. Since its inception in 1958, NASA has accomplished many great scientific and technological feats, and NASA remains a leading force in scientific research to this day.

Innovations created by our space program have found their way into the clothes we wear, the food we eat, our national security, the medicines we use, the computers we rely on and in the vehicles that transport us. More importantly, NASA’s exploration of space has allowed us to view Earth and the universe in a new way. While the tremendous technical and scientific accomplishments of NASA demonstrate that humans can achieve seemingly impossible feats, we also are humbled by the realization that Earth is just a tiny speck in the universe.

I am pleased to know that the Science Committee brought a bill to the floor that provides clear policy and funding provisions to ensure that NASA remains a multi-mission agency with robust research and development activities in science, aeronautics and human...
space flight. In addition, I am happy to know that the House has continued its investment in the Hubble Space Telescope which has provided inspiration worldwide to young and old, scientists and non-scientists alike. Hubble is one of the most important astronomical instruments in the history of NASA, and has made extraordinary contributions to scientific research and the inspiration of our youth. Finally, I am grateful that this Authorization includes language that will help ensure equal access to NASA education programs for minority and under-privileged students. The bill also properly funds the Space Grant Program which helps to promote strong science, mathematics, technology education from elementary school through graduate school.

The innovation, discovery and invention that NASA has brought to not only the United States, but also to the world is not complete. We must continue to explore the bounds of space, demand scientific breakthroughs, and enrapture the minds of children. Congress' stewardship of NASA allows our Nation to reach for the stars.

A PROCLAMATION HONORING PAUL JOHNSON AND CHARLOTTE JOHNSON ON THEIR 80TH BIRTHDAYS

HON. ROBERT W. NEY OF OHIO IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, Whereas, Paul Johnson was born on September 4, 1925; and Whereas, Charlotte Johnson was born on July 29, 1925; and Whereas, both Paul and Charlotte Johnson are celebrating their 80th Birthdays, on this day, June 25, 2005; and Whereas, Paul and Charlotte Johnson have exemplified a love for each other, and must be commended on their upcoming 55th Anniversary on December 16, 2005.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in congratulating Paul and Charlotte Johnson as they celebrate their 80th Birthdays.

EXPRESSING SENSE OF CONGRESS WITH RESPECT TO COMMEMORATION OF WOMEN SUFFRAGISTS

SPEECH OF HON. ALCEE L. HASTINGS OF FLORIDA IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 2005

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in support of H.J. Res. 59, a resolution commemorating the women suffragists who fought, and won the right for women to vote in the United States. This legislation applauds women's rights activists whose commitment to changing an unjust system led to the eventual passage of the 19th Amendment in 1920. As we all know, the 19th Amendment granted women in the United States the right to vote.

The women's suffrage movement began in the mid-nineteenth century when Lucretia Mott and Elizabeth Cady Stanton held the first women's rights convention in Seneca Falls, New York, on July 19, 1848. Established in 1869, the National American Woman Suffrage Association fought tirelessly against discrimination and oppression, often times receiving severe punishment in response to their protests.

After only several decades, due to the progress of women's rights activists, women in the U.S. experienced advancement in property rights, employment and educational opportunities, divorce and custody laws, and increased social freedom. As new generations of women continued to bolster the strength of the movement, they initiated a social revolution that would touch every aspect of life.

The time has come for Congress to recognize these brave individuals who struggled for equality in the face of adversity, and ultimately amended our constitution to allow for equality among both genders. The suffragists' accomplishments are a credit to American democracy. Their unfettered commitment to equality for women should serve as an example to nations in which this struggle is still being fought today.

Mr. Speaker, let me conclude by again expressing my support for this legislation and encourage my colleagues' support. It should be a precedence of this Congress to acknowledge the significance of the women's rights movement and honor its leaders with a day of commemoration.

CONGRATULATING LIEUTENANT GENERAL RICHARD A. HACK

HON. TOM DAVIS OF VIRGINIA IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to congratulate an exceptional officer in the United States Army, Lieutenant General Richard A. Hack, upon his retirement after 33 years of distinguished service.

Throughout his career, Lieutenant General Hack has personified the values of duty, integrity, and selfless service across the many missions the Army has provided in defense of our Nation. As a Chief of Staff and Deputy Commanding General of the United States Army Materiel Command, Lieutenant General Hack has made lasting contributions to the Army Materiel Command; an organization that employs more than 50,000 in 149 locations worldwide to include 43 states and 38 countries. It is my sincere privilege to recognize his many accomplishments. I commend his superb service to the United States Army and this great Nation.

Lieutenant General Hack is a second-generation Army officer, the son of Colonel (Ret) and Mrs. Sidney Hack of Columbia, SC. He graduated from the Virginia Military Institute and was commissioned as a second lieutenant in the Ordnance Corps. Upon completion of the Ordnance Officer Basic Course, he was assigned to Fort Knox, KY, where he served as Platoon Leader and later Shop Officer for the 530th and 514th Maintenance Companies. He was then assigned to Schweinfurt, Germany, as Shop Officer of the 596th and 903rd Maintenance Company and served as Commander, 42nd Maintenance Company in Furt, Germany.

Following the Ordnance Officer Advanced Course, Lieutenant General Hack participated in the Training with Industry program at Sikorsky Aircraft Company in Stratford, CT, and was subsequently assigned to Rock Island Arsenal, IL, as a Materiel Management Staff Officer and later as Aide-de-Camp to the Commanding General, U.S. Army Armament Materiel Command.

After graduation from Command and General Staff College, Lieutenant General Hack was assigned to the 24th Infantry Division (Mechanized), Fort Stewart, GA, where he served as Materiel Officer and Support Operations Officer for the 724th Main Support Battalion, Executive Officer of the 24th Forward Support Battalion, and Chief, Division Materiel Management Center.

Following his Fort Stewart assignments, Lieutenant General Hack served as the U.S. Army Europe Deputy Depot Logistics staff in Heidelberg, Germany, and then commanded the 705th Main Support Battalion, 5th Infantry Division (Mechanized) at Fort Polk, LA. After command, he was a staff officer at the Ordnance Center and School at Aberdeen Proving Ground, MD. After graduation from the U.S. Army War College, Lieutenant General Hack returned to 24th Infantry Division where he commanded the 24th Infantry Division Support Command. He then served as the Executive Officer to the Deputy Commanding General, U.S. Army Materiel Command. His subsequent assignments include: Assistant Division Commander for Support of the 4th Infantry Division (Mechanized), Fort Hood, TX; Commanding General, 13th Corps Support Command, Fort Hood, TX; and Commanding General of the 21st Theater Support Command, United States Army Europe, Germany.

Throughout his military career, Lieutenant General Hack has been a sterling example of leadership and professionalism. Special thanks must also be given to Lieutenant General Hack's wife, Rosanne, and their son, 1st Lieutenant Richard J. Hack. First Lieutenant Hack carries on the family tradition as the 3rd generation to serve in our Armed Forces, and is currently serving in Iraq. Mr. Speaker, in closing, I would like to express my gratitude to Lieutenant General Hack for his service to our country. I call upon my colleagues to join me in applauding his past accomplishments and wishing him the best of luck in all future endeavors.

PERSONAL EXPLANATION

HON. NICK J. RAHALL II OF WEST VIRGINIA IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. RAHALL. Mr. Speaker, I was unavoidably detained on official business on Monday, July 25, 2005. Had I been present, I would have voted in the following manner: Rollcall vote No. 417, “yea”; rollcall vote No. 418, “yea”; rollcall vote No. 419, “yea.”
If we are to honor our commitment to equal rights, we must work tirelessly to open society and the workplace to all Americans. To that end, I sponsored legislation to fully fund the Individuals with Disabilities in Education Act and recently introduced the Federal Employees with Disabilities Protection Act.

Mr. Speaker, I am proud of what the ADA has accomplished so far. I encourage my colleagues to join me in working to honor its promise for all Americans.

A PROCLAMATION THANKING MICHAEL SIMPSON FOR HIS SERVICE TO OUR COUNTRY

HON. ROBERT W. NEY
OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Michael Simpson has served the United States in Operation Iraqi Freedom as a member of the United States Army; and

Whereas, Michael Simpson is to be commended for the honor and bravery that he displayed while serving our Nation in this time of war; and

Whereas, Michael Simpson has demonstrated a commitment to meet challenges with enthusiasm, confidence, and outstanding service;

Therefore, I join with the family, friends, and the entire 18th Congressional District of Ohio in thanking Michael Simpson of the United States Army for his service to our country. Your service has made us proud.

15TH ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT

HON. TAMMY BALDWIN
WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. BALDWIN. Mr. Speaker, I rise today to celebrate the 15th anniversary of the Americans with Disabilities Act, or the ADA. This landmark piece of legislation was the world’s first comprehensive declaration of equality for people with disabilities, making it the most significant piece of civil rights legislation since the Civil Rights Act of 1964.

There is no doubt that the ADA has improved the lives of the 54 million Americans with disabilities, including 450,000 disabled adults in Wisconsin, and the evidence of this progress can be seen all around us. Thanks to the ADA, we have curb cuts, wheelchair lifts, Braille signs, accessible transit systems, and perhaps most important, the ADA has begun to change peoples’ attitudes towards people with disabilities.

But as part of the recognition of the progress that has been made, it is important for us to remember why the ADA was needed in the first place. Prior to the ADA’s passage, the isolation of and discrimination against people with disabilities was staggering. Many disabled Americans were not working, even though they wanted to have a job. Many did not finish high school, and many lived in poverty. The ADA established a comprehensive prohibition of discrimination on the basis of disability in the areas of employment, public accommodations, public services, transportation, and telecommunications.

So while I celebrate the ADA for the progress it has brought about, the fact remains that the promise of the ADA remains unfulfilled for far too many people. According to a 2004 survey done by the National Organization on Disability, only 35 percent of people with disabilities are employed full or part time; people with disabilities are three times more likely to live in poverty than their non-disabled counterparts; and people with disabilities remain twice as likely to drop out of high school. And I fear that ongoing efforts to cut the Medicaid program and dismantle Social Security will threaten the wellbeing of many more people with disabilities.

I remain committed to meeting the goals and promises of the ADA—equality and opportunity for all Americans, and I am delighted to reaffirm this commitment as we celebrate the ADA’s 15th anniversary.

ON THE RETIREMENT OF DOCTOR PORFIRIO LOZANO

HON. SILVESTRE REYES
TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. REYES. Mr. Speaker, I rise today to recognize Dr. Porfirio Lozano, a dedicated member of the Department of Veterans Affairs, VA, community in El Paso, Texas.

Dr. Lozano has devoted many years of service to El Paso in many capacities. A distinguished pioneer of El Paso’s medical community, Dr. Lozano was responsible for laying the groundwork of today’s osteopathic medicine practitioners in West Texas, paving the way for the integration of Medical Doctors and Doctors of Osteopathic Medicine in El Paso’s hospitals. His work performing compensation and pension examinations for El Paso’s VA ensured that the dispensation of entitlements for our veterans occurred quickly and fairly.

Dr. Lozano’s more than 20 years of service is especially important to me because my Congressional District in El Paso is home to nearly 60,000 veterans. These brave men and women have made tremendous sacrifices for our country, and Dr. Lozano has been steadfast in providing the best possible health care for our Nation’s veterans.

Mr. Speaker, on behalf of the constituents of the 16th Congressional District and the veterans across America, I would like to thank Dr. Lozano for his selfless service to and advocacy for veterans in El Paso and the Nation.

THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. CHRIS VAN HOLTEN
MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. VAN HOLTEN. Mr. Speaker, it is with great pleasure that I rise as we celebrate the fifteenth anniversary of the passage of the Americans with Disabilities Act.

Most Americans take for granted the ability to enter a restaurant, speak on the telephone, or apply for a job without fear of discrimination. But until the passage of the ADA, tens of millions of Americans with disabilities were denied these basic rights. Over the past decade and a half, the ADA has enabled people with disabilities to realize more fully their place in American society.

But the promise of the ADA remains unfulfilled. Only about one-third of people with disabilities are employed, and those with disabilities are three times more likely to live in poverty.
Lt. Cmdr. Erik S. Kristensen, 33, of San Diego, CA.

Petty Officer 1st Class Jeffery A. Lucas, 33, of Corbett, OR.

Petty Officer 1st Class Jeffrey S. Taylor, 30, of Midway, WV.

Lt. Michael M. McGreevy, Jr., 30, of Portville, NY.

Assigned to SEAL Delivery Vehicle Team One, Pearl Harbor, HI.

Senior Chief Petty Officer Daniel R. Healy, 36, of Exeter, NH.

Petty Officer 2nd Class James Suh, 28, of Deerfield Beach, FL.

Petty Officer 2nd Class Eric S. Patton, 22, of Boulder City, NV.

Petty Officer 2nd Class Matthew G. Axelson, 29, Cupertino, CA.

Lieutenant Michael P. Murphy, 29, Patchogue, NY.

Assigned to SEAL Delivery Vehicle Team Two, Virginia Beach, VA:

Petty Officer 2nd Class Danny P. Dietz, 25, Littleton, CO.

A grateful Nation salutes you.

A PROCLAMATION RECOGNIZING CHILLICOTHE’S KENWORTH PLANT

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Chillicothe’s Kenworth Plant has provided a new milestone of truck of which immense pride is accredited; and

Whereas, Chillicothe’s Kenworth Plant has celebrated the completion of truck No. 250,000; and

Whereas, Chillicothe’s Kenworth Plant employs approximately 1,700 people with great distinction.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in recognizing Chillicothe’s Kenworth Plant for its impressive accomplishment.

PERSONAL EXPLANATION

HON. ELMON GALLEGLY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GALLEGLY. Mr. Speaker, on Monday, July 25, 2005, I was unable to vote to suspend the rules and pass H.J. Res. 59, sense of Congress and respect to the establishment of an appropriate day for the commemoration of the women’s suffragists (rollcall 417); Con. Res. 181, supporting the goals and ideals of National Life Insurance Awareness Month (rollcall 418); and H. Res. 376, expressing the sense of the House that the Federal Trade Commission should investigate the publication of the video game “Grand Theft Auto: San Andreas” to determine if the publisher intentionally deceived the Entertainment Software Rating Board to avoid an “Adults-Only” rating (rollcall 419). Had I been present, I would have voted “yea” on all three measures.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2006 AND 2007

SPEECH OF
HON. DARRELL E. ISSA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 2005

The House in Committee of the Whole on the State of the Union had considered the bill (H.R. 2601) to authorize appropriations for the Department of State for fiscal years 2006 and 2007, and for other purposes:

Mr. ISSA. Mr. Chairman, I had submitted an amendment made in order by the rule to strike proposed changes to U.S. economic and military aid to Egypt because of concerns I have that these changes may harm the U.S.-Egypt security relationship. I decided not to offer this amendment.

Egypt is a friend and ally of the United States and their contributions in Iraq, Afghanistan, and the global war on terrorism have made important contributions to our security and that of our military personnel serving abroad. Egypt is also a source of stability and leadership in the Middle East—they played an important role in convincing Syria to withdraw its military from Lebanon and have made important efforts to support peace and security for Israelis and the Palestinians.

Consider Egypt’s role in Iraq alone. From the beginning of U.S. operations there, Egypt has provided transit and landing rights. Egypt permitted emergency transit of the Suez Canal when the 4th Infantry Division was not permitted to stage from Turkey, saving weeks of transit time around the Horn of Africa. Moreover, since the U.S.S. Cole was attacked in 2000 at the entrance to the Red Sea, Egypt has provided the increased security necessary to prevent any attacks on U.S. forces transiting through the Suez Canal or other Egyptian facilities. Egypt sent an ambassador to the new government in Iraq to help support the new and democratic government that has been chosen by the Iraqi people. Sadly, the Egyptian ambassador to Iraq, Ihab ai-Sharif, was kidnapped and murdered by the same insurgents who have claimed 1,775 lives of our troops.

Egyptians, like the people of the United Kingdom, have also been the victims of terrorism committed by Islamic extremists. The recent terrorist bombing in Sharm el-Sheikh against the people and Government of Egypt was a clear strike against a partner in the global war on terrorism. The need for continued security and military cooperation between the U.S. and Egypt could not be clearer.

Because of the contributions Egypt has made as a valued friend and ally, many of my colleagues, the administration, our military leaders at CENTCOM, have expressed deep concerns that the changes to military assistance proposed in section 921 of the Foreign Relations Authorization Act could significantly harm the U.S.-Egypt security relationship that has been so critical for our efforts to promote peace between Israel and the Arab world and our ability to stop terrorist attacks. I also have concerns about whether the proposed restructuring of economic aid to Egypt contained in section 921 will actually yield substantive benefits for the Egyptian people.

Mr. Chairman, my district is home to Marine Corps Base Camp Pendleton. The safety of Marines from Camp Pendleton serving in Iraq is significantly increased due to support provided by Egypt. Without the active support of Egypt for U.S. operations in Iraq, transit times for U.S. ships to the theater of operations would be considerably longer and more dangerous. Supplying troops in Iraq would also take longer and cost more. And finally, without Egyptian leadership in the Arab world, the political reconstruction of Iraq would be even more complicated and far-off.

Perhaps most important, Mr. Chairman, is the fact that our Marines from Camp Pendleton will be able to come home, and stay home, in only one way: when Iraqi security forces are finally able to provide stability in their own country. This goal will be achieved more quickly because of efforts being made by Egypt to train Iraqi security personnel.

Maintaining the close working military-to-military relationship developed with Egypt over the past 26 years is important to successfully completing our mission in Iraq and bringing American troops home. Fundamentally altering that relationship seems ill-advised to me. We must be certain that the actions we take enhance his ability to fight the war on terrorism whether in Iraq, Afghanistan, or anywhere else in the region.

Mr. Chairman, despite my concerns I recognize that Chairman Hyde and I share common goals of strengthening America’s security relationship with Egypt and helping the people of Egypt build strong democratic institutions and a vibrant free market economy. I would also add that I support his efforts and those of the ranking member, Mr. Lantos, to seek new ways to strengthen U.S.-Egypt relations.

I would, furthermore, like to thank Chairman Hyde and Ranking Member Lantos for agreeing to continue to work with me and the administration in order to protect our national interests and to help Egypt achieve the economic and political reform it needs.

RECOGNIZING DAN SCHAB,
MICHIGAN TEACHER OF THE YEAR

HON. MIKE ROGERS
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. ROGERS of Michigan. Mr. Speaker, today I rise to pay tribute to Dan Schab on his selection as Michigan’s 2005–2006 Teacher of the Year.

Over his 24 year career, Dan Schab has helped to inspire and enlighten students across mid-Michigan. He has worked tirelessly to help his students explore the concept of mathematics and learn both the importance of education and the power of knowledge. In addition to his work in the Williamston School District and at Lansing Catholic Central High School, Mr. Schab has also served on the national level. He assisted in developing meaningful national education strategies through his work as an Einstein Fellow with the U.S. Senate Education Committee in 2003.

Mr. Schab has been consistently recognized as one of the best teachers in America. Over his career, he has been recognized time and time again for his dedicated service to his school, his students, and his community. In
2000, he participated in the prestigious Toyota International Teacher Program. In 1987, he received the Excellence in Education Award from the Lansing Regional Chamber of Commerce, and in 1987 he was chosen as Lansing Catholic Central High School’s First Teacher of the Year Professional Excellence Award Winner. But despite these many recognitions, Dan still believes that the work he does with his students is his greatest success. His dedication to teaching can be seen on a daily basis when he stays well after school hours to offer additional assistance or develop new ways to show his students the significance of math in daily life.

Mr. Speaker, education is the cornerstone of our economy and great teachers lay the foundation for greater prosperity. I wish to extend my gratitude to Dan Schab for his many years of service to his students. I ask my colleagues to join me in recognizing Mr. Schab for his years of dedication to teaching and his recent selection as Michigan’s Teacher of the Year.

PERSONAL EXPLANATION

HON. DAVE WELDON
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. WELDON of Florida. Mr. Speaker, due to the launch of the Space Shuttle Discovery early Tuesday morning, I was unable to be present for votes on Monday evening. Had I been present, please let the official Record reflect that I would have voted in favor of the following three bills: H. J. Res. 59—Sense of Congress with respect to the establishment of an appropriate day for the commemoration of the women suffragists; H. Con. Res. 181—Supporting the goals and ideals of National Life Insurance Awareness Month; and H. Res. 376—Expressing the sense of the House of Representatives that the Federal Trade Commission should investigate the publication of the video game “Grand Theft Auto: San Andreas”.

A PROCLAMATION RECOGNIZING JAY BAIRD

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY of Ohio. Mr. Speaker, whereas, Jay Baird has provided outstanding service and contributions to Licking County serving two terms as County Commissioner, and Whereas, Jay Baird has served the people of Licking County with dedication, diligence, and goodwill; and Whereas, Jay Baird is an asset treating everyone with respect and a sense of priority, carrying out his duty to the people; and Whereas, Jay Baird is greatly appreciated by all who have worked with him. He is to be commended for the help that he provided to the citizens of Pataskala and the residents of Licking County. Therefore, he join with members of Congress and their staff in recognizing Jay Baird for his exceptional work and immense contributions, and wish him the very best in future endeavors.

CELEBRATING THE BIRTH OF MISS CAMPBELL GRACE HALME

HON. JOE WILSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. WILSON of South Carolina. Mr. Speaker, today, I am happy to congratulate Tracy Campbell Halme of Tampa, Florida, on the birth of their beautiful baby girl. Campbell Grace Halme was born on July 20, 2005, weighing 7 pounds, 7.5 ounces and measuring 21 inches long. Campbell has been born into a loving home, where she will be raised by parents who are devoted to her well-being and bright future. Her birth is a blessing.

COMMEMORATING THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. MAJOR R. OWENS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. OWENS. Mr. Speaker, the Americans with Disabilities Act of 1990 (ADA) profoundly improved the lives of approximately 54 million people with disabilities. Before the ADA, employers routinely denied employment to individuals based not on skill, but on discriminatory stereotypes about disabilities. The lack of accommodations in the workplace shut people with disabilities out of the job force, resulting in astounding poverty rates. People with disabilities did not even have the legal tools to fight back because no law recognized their grievances.

On July 26, 1990, George H.W. Bush signed the ADA, transforming America into a more accessible country. The ADA gave people with disabilities the right to be accommodated in the workplace, a fair grievance process for discrimination suits, equal access to public services, transportation and telecommunications. People with disabilities are no longer unnecessarily shut away; they have the ability to counteract discriminatory practices and have a fair chance to become productive members of society.

I enthusiastically support the Hoyer Resolution commemorating the 15th Anniversary of the ADA, the largest civil rights achievement since the Civil Rights Act of 1964. By celebrating and recognizing the 15th Anniversary of the ADA, Congress honors the United States’ commitment to equality and justice. I hope that by recommitting Congress to the full enforcement and support of the ADA, all members will work harder to reduce the still-high unemployment rate among people with disabilities with the capacity to work. I urge my colleagues to support this resolution that recognizes the enormous potential impact of this untapped workforce in our global economy.

TRIBUTE TO MRS. AMANDA PEACH SMITH

HON. ROBERT A. BRADY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor one of my most distinguished constituents, Amanda Peach Smith. Mrs. Smith, who everyone knows as Aunt Sam turned 100 years old today. Aunt Sam moved to Philadelphia from Elloree, SC in 1925. She lived in West Philadelphia until 1931, when she moved to South Philly. In the 1950s, she returned to my part of the city, West Philadelphia.

Aunt Sam has a close and loving relationship with her community and with her God. She has been a member of the historic Union Baptist Church since 1927, shortly after her arrival in Philadelphia. A long time usher there, she was a part of the congregation that nurtured and supported Marion Anderson, Philadelphia’s most famous opera singer.

Mr. Speaker. Mrs. Smith is known for her love of gardening and flowers. In so many ways, she has brought beauty and joy to all of us.

I know that all my colleagues will join me today in wishing her a happy 100th birthday.

SUPPORT FOR JUDGE JOHN ROBERTS

HON. BILL SHUSTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. SHUSTER. Mr. Speaker, I would like to voice my strong support for the President’s Supreme Court nominee Judge John Roberts. His personal qualifications are exemplary and are more than befitting for a Supreme Court Justice.

Judge Roberts’ educational record speaks for itself. He graduated Summa Cum Laude from Harvard in only 3 years and also received his law degree with high honors. Additionally, he served as an editor of the Harvard Law Review.

I believe that Judge Roberts will be fair and non-partisan and serve America’s highest court well. According to The National Journal, “John Roberts seems a good bet to be the kind of judge we should all want to have—all of us, that is, who are looking less for congenial ideologies than for professionals committed to the impartial application of the law.” Likewise, his personal integrity is unquestionable. For example, in 1995, Justice Roberts argued the case of Barry v. Little in which he represented a class of the neediest welfare recipients. Roberts argued that case of Barry v. Little in which he represented a class of the neediest welfare recipients.

Republicans and Democrats alike have also acknowledged Judge Roberts’ outstanding character. Democratic lawyers Lloyd Cutler and Seth Waxman and former Republican White House Counsel C. Boyden Gray have cited his “unquestioned integrity and fairmindedness.”

Mr. Speaker, it is clear that Judge Roberts offers everything we could ask for in a Supreme Court nominee. I therefore urge the Senate to hold fair and speedy hearings in order to fill this vacancy as soon as possible.
A PROCLAMATION CELEBRATING THE ACHIEVEMENTS OF AMBASSADOR ALBERT RAMDIN

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Ambassador Albert Ramdin is well prepared to serve as Assistant Secretary General of the Organization of American States during the 35th Regular Session of the General Assembly; and

Whereas, Ambassador Albert Ramdin has dedicated his life to public service having displayed his vast array of talents in multiple arenas such as Senior Adviser to the Minister of Trade and Industry of Suriname, Chairman and member of several national policy development committees including the "Establishment of the Investment Fund" and "Privatization of State Enterprises" committees, Adviser to the Minister of Foreign Affairs, the Minister of Finance of Suriname, and Suriname’s non-resident Ambassador to Costa Rica, among other endeavors; and

Whereas, Ambassador Albert Ramdin has had an extensive history with the Organization of American States including chairing the Permanent Council and the Inter-American Council for Integral Development, and serving as Ambassador Extraordinary and Plenipotentiary and Permanent Representative; and

Whereas, Ambassador Albert Ramdin’s distinguished involvement with the Caribbean Community has involved serving as Co-Chair of the Central America High Level Technical Committee and as Assistant Secretary-General for Foreign and Community Relations. Therefore, I join with the family, friends, and colleagues of Ambassador Albert Ramdin to honor and congratulate him in his new position of Assistant Secretary General of the Organization of American States.

SUPPORTING GOALS OF NATURAL MARINA DAY AND URGING MARINAS CONTINUE PROVIDING ENVIRONMENTALLY FRIENDLY GATEWAYS TO BOATING

SPEECH OF
HON. TIMOTHY H. BISHOP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 2005

Mr. BISHOP of New York. Mr. Speaker, I rise in strong support of H. Res. 308, a bill supporting the goals of National Marina Day, and urging that marinas continue providing environmentally friendly gateways to boating.

In my district on Eastern Long Island, business associated with local marinas is important to visitors and residents alike. The tourism and fishing industries are two of the most important contributing elements of the local economy, and marinas help these economic engines create much needed revenue throughout Brookhaven and the five East End Towns.

There are more than 12,000 marinas nationally that benefit local communities by providing safe and reliable gateways to boating. The marinas of the United States serve as stewards of the environment, and they actively protect the waterways that surround them for current and future enjoyment.

The Marina Operators Association of America has designated August 13, 2005, as National Marina Day to increase awareness among citizens and elected officials about the many contributions marinas make to communities, and it is important that Congress support this initiative.

As vacationers throughout the country flock to the coasts for well-deserved vacations, it is important that we recognize the significance of marinas. I therefore extend the Marina Operator’s support for National Marina Day and urge my colleagues to do the same.

PERSONAL EXPLANATION

HON. TOM COLE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. COLE of Oklahoma. Mr. Speaker, on Monday, July 25, 2005, I was unavoidably detained on official business overseas. I respectfully request that the Congressional Record reflect that had I been present and voting, I would have voted as follows: Rollcall No. 417: "Yes" (On motion to suspend the rules and agree to H. J. Res. 59); Rollcall No. 418: "Yes" (On motion to suspend the rules and agree to H. Con. Res. 181); and Rollcall No. 419: "Yes" (On motion to suspend the rules and agree to H. Res. 376).

15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

SPEECH OF
HON. WILLIAM J. JEFFERSON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. JEFFERSON of Louisiana. Mr. Speaker, fifteen years ago—on July 26, 1990—our great Nation made a promise to the disabled community that we have a moral obligation to keep. We said no to discrimination. We said no to segregation of the disabled. We said yes to inclusion and equality.

Today marks the 15th Anniversary of the enactment of the Americans with Disabilities Act (ADA), the most sweeping civil rights legislation since the Civil Rights Act.

I am immensely proud to have been a part of reauthorization efforts of this important legislation, and I will forever remember all of the advocates for the disabled at the signing ceremony on the South Lawn at the White House. This landmark law sent an unmistakable message: It is unacceptable to discriminate against someone simply because they have a disability. Moreover, it is illegal—in employment, in transportation, in public accommodations, and in telecommunications.

The ADA recognized that the disabled belong to the American family; that a disability need not be disabling. Disabled Americans can share in all our Nation has to offer—equality of opportunity, full participation, independent living, and economic self-sufficiency.

Over the last 15 years, the ADA has allowed hundreds of thousands of Americans to join the workforce, attend school, travel, or drive a car—many for the first time in their lives. The ramps, curb cuts, Braille signs, and captioned television programs that were once novel are now ubiquitous.

However, the first 15 years of the ADA have not been without challenge. Too often, the intent of the ADA has been misconstrued by our courts, which have given it a narrow construction that its authors never intended.

To date, people with diabetes, heart conditions, cancer and mental illnesses have had their ADA claims kicked out of court because, with improvements in medication, they are considered too functional to be considered disabled.

Together, these decisions represent a dangerous chopping away at the foundation of equality which we poured 15 years ago when the ADA was enacted. And they are a reminder as we commemorate this 15th Anniversary that our work is not done.

This is clearly not what Congress intended when it passed the ADA and the first President Bush signed it into law. We intended the law to be given a broad construction, not a narrow one.

Today, let us renew our commitment to the principles and spirit of the ADA—a law that benefits our great Nation, our communities, and it is important that Congress continue providing the goals of National Marina Day, and urging marinas to support this initiative. As vacationers throughout the country flock to the coasts for well-deserved vacations, it is important that we recognize the significance of marinas. I therefore extend the Marina Operator’s support for National Marina Day, and urge my colleagues to do the same.

EXECUTIVE ORDER RECOGNIZING IMPORTANCE OF NATIONAL MARINA DAY

EXECUTIVE ORDER RECOGNIZING IMPORTANCE OF NATIONAL MARINA DAY

This Order is effective immediately and supersedes any prior recognition of National Marina Day. I encourage all Americans to support National Marina Day and the work of marinas.

WHEREAS, the United States is home to a vast network of marinas that provide safe and accessible gateways to boating for millions of people; and

WHEREAS, marinas are an important component of the nation’s waterways; and

WHEREAS, marinas provide opportunities for recreation and economic development; and

WHEREAS, National Marina Day is an opportunity to recognize the contributions of marinas to the nation’s waterways; and

WHEREAS, marinas are critical to the nation’s waterways and provide opportunities for recreation, tourism, and economic development; and

NOW, THEREFORE, I, President of the United States, do hereby proclaim July 26, 2005, as National Marina Day, and I call upon all Americans to continue providing environmentally friendly gateways to boating for the enjoyment of all Americans, including those with disabilities.

I hereby order that this proclamation be printed in the Federal Register and transmitted to the States and the people of the United States for appropriate observance.

In the White House, this 26th day of July, in the year of our Lord two thousand and five.

PETER DERBY

This is a personal explanation of my vote on H. J. Res. 59, which was not recorded in the Congressional Record. As an elected representative of the people, I have the responsibility to support and defend our laws, even if I disagree with them. In this case, I supported the motion to suspend the rules and agree to H. J. Res. 59, which would have excluded the ADA from coverage under the ADA, in order to avoid a meaningless procedural vote on an issue that is of significant importance to our society.

I am an advocate for the disabled and believe in the principles of the ADA. I have consistently voted in favor of the ADA and other laws that protect the rights of individuals with disabilities. I will continue to work to ensure that the ADA is enforced and that individuals with disabilities have equal access to all aspects of society, including education, employment, transportation, and communication.

I urge my colleagues in Congress to support theADA and to work to ensure that it is fully enforced.

In the Senate of the United States, this 26th day of July, 2005.
Board of Trustees of the Village of Irvington-on-Hudson, NY. Derby spent a decade in Russia, where at the forefront of democratizing that nation’s markets and banking infrastructure. He participated in the founding of DialogBank in 1990, the first private Russian bank to receive an international banking license. He moved rapidly through the ranks and was named Chairman of the Board of this institution in 1997. In addition, Derby founded the first Russian investment firm, Troika Dialog. Prior to Derby’s time in Russia, he was a Corporate Finance Officer at National Westminster Bank from 1985–1990 and an Auditor at Chase Manhattan Bank.

Mr. Derby worked seamlessly with Chairman Donaldson to repair the damaged image of our Nation’s corporations and financial markets. In addition to improving the overall efficiency of SEC operations, Derby oversaw the creation of the Risk Management Program to create a more proactive posture. He also produced the first-ever audited financial statements of the SEC as well as leading the development of an implementation program for aligning facilities, technology and organizational systems with the agency’s strategic themes.

Mr. Speaker, I know that my colleagues will join me in giving thanks to Peter Derby for his service to our Nation in a time of challenge. It is reassuring to the United States to know that there are people who will give time from their lives to help our country.

A PROCLAMATION RECOGNIZING THE KENYA CANNING COMMITTEE UNDER THE DIRECTION OF KEITH COPE

HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr.NEY, Mr. Speaker, whereas, Keith Cope and the congregation of Leesville Faith Community Chapel began a ministry for the 1,000 and the congregation of Leesville Faith Community Chapel began a ministry for the 1,000 community of Magnet, Kenya; and

Whereas, the Kenya Canning Committee is committed to collecting two separate shipments of 30,000 jars with the purpose of teaching the Kenyan congregation to properly store food through canning to reduce the repercussions of child labor and starvation;

Whereas, the Kenya Canning Committee has also raised $45,000 to supply the congregation with a tractor and are planning to raise funds to purchase a water tank all to aid in their quest to end starvation in Migori, Kenya; and

Whereas, previous shipments enabled Pastor Okinda’s members to successfully can food for the first time in June, 2005.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating the Kenya Canning Committee under the direction of Keith Cope for their outstanding accomplishments and best wishes for all their future endeavors.

PERSONAL EXPLANATION

HON. PATRICK J. TIBERI
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. TIBERI. Mr. Speaker, on Monday July 25, 2005, I was delayed in returning to Washing- DC from Columbus, OH due to inclement weather. As a result, I was unable to record a vote on rollcall No. 41–H.J. Res. 59, No. 418–H. Con. Res. 181, and No. 419–H. Res. 379. I support these measures and had I been present, I would have voted “yea” on rollcall Nos. 417, 418 and 419.

IN MEMORY OF SPECIALIST MICHAEL R. HAYES

HON. PETE SESSIONS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. SESSIONS. Mr. Speaker, I rise today to honor U.S. Army Specialist Michael R. Hayes, an American hero who lost his life in defense of liberty and freedom. He made the ultimate sacrifice so that others might know freedom, and I am humbled by his bravery and selflessness.

Spc. Michael Hayes was killed on June 14, 2005 when a rocket-propelled grenade hit his Humvee while he and four other Marines were providing security around a suspected explosive device near Baghdad. He was 26 years old. Spc. Hayes was assigned to the 617th Military Police Company, Kentucky Army National Guard at Richmond, KY. In addition to his family, fiancee and country, Spc. Hayes loved soccer. He founded the girls’ soccer program at Butler County High School of Ken-tucky six years ago and was a devoted coach. He took this love from the soccer fields to the streets of Iraq where he took particular pride in seeing the children attend their newly built or refurbished schools. He wrote often of the Iraqi children and how their smiles brought him comfort. His leadership, dedication and enthusiasm will be missed.

He is survived by his mother, Barkeley Hayes, fiancee, Melissa Allen, sister, Spc. Melissa Stewart, and brother, Spc. James Hayes, both of whom serve in the 617th Military Police Company.

I want to thank his family for raising such a fine man. As the father of two sons, I know their sacrifice is indescribable. Spc. Hayes leaves behind a legacy marked by courage, integrity and character. It is an honor and a privilege to represent his family in Congress. May God bless them, and may I convey to them the many thanks of a grateful Nation.

PERSONAL EXPLANATION

HON. GINNY BROWN-WAITE
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, on July 25, I was detained in Florida due to a doctor’s appointment and as a result, missed the day’s votes. I ask that my absence be excused and the CONGRESSIONAL RECORd shows that had I been present: for rollcall No. 417—the motion to suspend the rules and pass H. J. Res. 59, I would have voted “yea”; for rollcall No. 418—the motion to suspend the rules and pass H. Con. Res. 181, I would have voted “yea”; and for rollcall No. 419—the motion to suspend the rules and pass H. Res. 376, I would have voted “yea.”

THE STAKES IN CAFTA

HON. JUDY BIGGERT
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. BIGGERT. Mr. Speaker, I submit the following article for the RECORD:

From the Washington Post, July 26, 2005

THE STAKES IN CAFTA

The House is getting ready to vote on the Central American Free Trade Agreement (CAFTA), a deal that would bind the five nations of Central America plus the Dominican Republic to the U.S. economy. For a commercial standpoint, it’s curious that most Democrats in the House resist the agreement—80 percent of Central America exports already enter the United States without tariffs, so the main effect of the deal will be to open the region to U.S. products. But the political argument for CAFTA is at least as compelling. While the United States has been focusing on terrorism, a new challenge has been brewing in its own hemisphere. House members should consider this challenge before voting to slam the door on Central America’s pro-American leaders.

For much of the post-Cold War period, U.S. anxieties in Latin America seemed to be fading. The disintegration of the Soviet Union left Cuba’s Fidel Castro without subsidies, undermining his power to buy influence in the region. The peace process in Central America succeeded, ending leftist insurgencies in El Salvador and Guatemala and leading to elections in Nicaragua that chipped its Marxist road. However, Castro’s democracy already had displaced often populist dictatorships across South America; in Mexico, a pro-American, pro-market presidential candidate succeeded against left-wing and traditionally leftist Institutional Revolutionary Party. The remaining U.S. problem in Latin America was the drug war. Although the cartels are ruthless, they were not trying to rally Latin Americans behind an anti-Yanqui banner.

In the past few years, however, an attempt has been made to revitalize the political challenge once represented by Mr. Castro. It centers on Venezuela’s Hugo Chavez, who combines Castroite rhetoric with the financial clout of Venezuelan oil. Chavez has spread his money around the region, sponsoring anti-American and anti-democratic movements and promoting alternatives to U.S. initiatives. To counter the U.S. trade agenda, for example, he has put forward a “Bolivarian Alternative.” This has given critics of the United States something to advocate. El Nuevo Diario, a Nicaraguan newspaper that is critical of CAFTA, praised the Bolivarian Alternative recently, asserting that “America is for the Americans, not for the North Americans.” In Costa Rica critics of CAFTA who draw inspiration from Mr. Chavez have made no secret of the fact that they oppose the deal because they oppose the U.S. trade agenda.

Most House Democrats don’t want to hear this; they claim that CAFTA is opposed by
“pro-poor” groups in the region. But this claim is troubling on two levels. First, CAPTA would actually help the poor: It would create 300,000 new jobs in shoes, textiles and apparel; it would create a new mechanism for enforcing labor rights; and a World Bank study has found that the vast majority of poor families in the region would gain from the Scheme. But second, the defeat of CAPTA would help not anti-poverty movements but anti-American demagogues, starting with Mr. Chavez. For them, the retreat of the United States from partnership with Central America would be a major victory.

A PROCLAMATION RECOGNIZING CAPITOL POLICE OFFICER KEITH D. ATKINS

HON. ROBERT W. NEY OF OHIO IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Officer Keith D. Atkins is an exceptional individual worthy of merit and recognition; and whereas, Officer Keith D. Atkins has acted with graciousness and selflessness; and whereas, Officer Keith D. Atkins should be commended for his excellence, for his leadership and integrity, and for his ongoing efforts to affect other people’s lives in a positive and in a changing and inspiring fashion; therefore, I join with the family whose time was enhanced by Officer Keith D. Atkins’ personal tour of the Capitol, which was beyond his realm of duty, and for his accommodating and courteous attitude while assisting them throughout their day at the Nation’s Capitol.

15TH ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT

HON. BENJAMIN L. CARDIN OF MARYLAND IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. CARDIN. Mr. Speaker, today we celebrate the 15th anniversary of the signing of the American with Disabilities Act (ADA). The ADA extended landmark civil rights protections to an estimated 43 million disabled Americans, which is roughly 1 out of every 7 Americans. It established a comprehensive prohibition of discrimination on the basis of disability in the areas of employment, public services, transportation, and telecommunication.

The ADA seeks to guarantee that every American should have the right to live independently and fully participate in all aspects of our society. The ADA has had its greatest successes in improving physical accessibility, transportation and communications. The ADA has also begun to change society’s attitudes toward people with disabilities.

Despite this impressive progress, the promise of the ADA unfortunately remains unfilled for too many disabled Americans. In the area of employment, for example, today only 35 percent of people of working age who have a disability are employed, compared to 78 percent of people without disabilities. Federal courts have alsoissued rulings interpreting the ADA whereby individuals may be considered too disabled by an employer to get a job, but not disabled enough by the courts to be protected by the ADA. This violates the spirit and intent of the ADA, which was designed to protect employees from discrimination based on real or perceived impairment. Congress should take action to correct these court decisions and strengthen the ADA.

As a member of the House Ways and Means Committee, I was pleased that in 1999 Congress enacted the Ticket to Work Act, which provides Americans receiving disability benefits with greater access to vocational rehabilitation services. This initiative provides tickets to recipients of both Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) that can be used to purchase rehabilitation, employment and other supportive services designed to help them secure and maintain a job. Payments to providers of these services are based on the success individuals using the tickets have in overcoming barriers and ultimately in becoming employed.

The Ticket to Work Act also created state options to eliminate the dilemma faced by many individuals receiving disability benefits—choosing between work and health insurance coverage. The Ticket to Work Act allows States to adopt a Medicaid “buy-in” program to permit individuals to maintain Medicaid coverage while still working. Finally, the measure extended Medicare Part A coverage to working SSDI beneficiaries for a total of 5½ years—4 years beyond the coverage previously provided by Medicare.

As our Nation celebrates the 15th anniversary of the ADA, let us re dedicate ourselves to carry out the commitment of that historic legislation.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ OF TEXAS IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. ORTIZ. Mr. Speaker, due to important congressional business, I was unable to vote during the following rollcall votes. Had I been present, I would have voted as indicated below: rollcall No. 417: yes; rollcall No. 418: yes; and rollcall No. 419: yes.

CONGRATULATIONS TO TOM CLEVELAND

HON. MICHAEL C. BURGESS OF TEXAS IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. BURGESS. Mr. Speaker, I rise today to congratulate the outstanding performance of Officer Tom Cleveland at the World Police and Fire Games in Quebec City, Canada. The World Police and Fire Games, the second largest international sporting event, has been a longstanding tradition for Law Enforcement Officers and Firefighters in several countries throughout the world. This international event takes place every other year as a chance for them to showcase their athletic abilities.

This year, Tom’s determination and drive led him to be one of the best among the 10,000 competitors from 51 countries worldwide. He finished 3rd in the 400 Int. Hurdles, 5th in the 110 High Hurdles and 12th in the Toughest Competitor Alive competition.

I am proud to recognize Officer Tom Cleveland a fine citizen and athlete. We are proud of his accomplishments and to have him represent and serve the North Richland Hills Community, the 29th District of Texas, and our great Nation.

A PROCLAMATION HONORING JIM CARNES ON THE OCCASION OF HIS RETIREMENT FROM THE OHIO DEPARTMENT OF NATURAL RESOURCES

HON. ROBERT W. NEY OF OHIO IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. NEY. Mr. Speaker, whereas, Jim Carnes is retiring from the Ohio Department of Natural Resources after years of exemplary service; and whereas, Jim Carnes served the people of the State of Ohio as a State Senator from 1995 until 2004 representing the former twelfth Senate district, having over forty pieces of legislation passed into law during his terms in office; and whereas, Jim Carnes has been among the most well liked and well-respected men, noted for his energetic spirit and dedication to his job; and whereas, Jim Carnes will be deeply missed by all who have had the privilege to work with him;

Therefore, I join with his fellow colleagues, family, and friends in thanking Jim Carnes for his service to the State of Ohio and wish him the very best on the occasion of his retirement.

PERSONAL EXPLANATION

HON. CHRISTOPHER SHAYS OF CONNECTICUT IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. SHAYS. Mr. Speaker, on July 25, I was returning to Washington from an overnight trip in Iraq and, therefore, missed three recorded votes.

I take my voting responsibility very seriously and would like the CONGRESSIONAL RECORD to reflect that, had I been present, I would have voted yes on recorded vote No. 417, yes on recorded vote No. 418, and yes on recorded vote No. 419.

TRIBUTE TO MAXINE FREEMEYER—THE PERFECT OLDER AMERICAN

HON. MARILYN N. MUSGRAVE OF COLORADO IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor Maxine Freemyer. Maxine Freemyer is the perfect example of a successful older American. At 93 years young, she refuses to allow her advancing age, failing eyesight or...
Gratulations to a man who could serve as a
tympany for the Escambia County Sheriffs Office,
cisory board for the county commissioners, ad-
Christian Athletics, a special community advi-
to the Boys and Girls Club, the Fellowship of
Godly lives. Vonda is known for her work with
gether, they have worked diligently through
of the many ministries that he has helped start
These three ministries are just a few examples
Study, founded the Hope Christian Academy,
the Zion Hope Centre for Training and Biblical
Baptist Church in my district for 20 years.
ning as the pastor to the Zion Hope
congratulations to Pastor Bernard Yates for
IN RECOGNITION OF 20 YEARS OF
SERVICE BY PASTOR BERNARD
YATES TO THE ZION HOPE
PRIMITIVE BAPTIST CHURCH
HON. JEFF MILLER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005
Mr. MILLER of Florida. Mr. Speaker, it is a
great honor for me to rise today to extend my
congratulations to Pastor Bernard Yates for
having served as the pastor to the Zion Hope
Baptist Church in my district for 20 years.
Since 1985, Pastor Yates has led the
growth of the Zion Hope congregation from
approximately 300 to over 2,000 members,
with three Sunday services and a major mid-
week service as well. Pastor Yates initiated
the Zion Hope Young Adult Choir, Benediction
Study, founded the Zion Hope Christian Academy,
and launched the Good Friday service. These
three ministries are just a few examples
of the many ministries that he has helped start
within the church.
Pastor Yates is joined in much of his work
by Vonda Yates, his wife of 23 years. To-
gether, they have worked diligently through
Bible studies and writing to help families live
Godly lives. Vonda is known for her work with
women's conferences as well, while Bernard is
called upon to speak at men's conferences
and retreats across the Nation.
The selfless contributions of this man are
not limited to just one church; Pastor Yates
has also been a civic leader, dedicating time
to the Boys and Girls Club, the Fellowship of
Christian Athletics, a special community advi-
sory board for the county commissioners, ad-
visory for the Escambia County Sheriff's Office,
and the Escambia County School District. His
wisdom is regarded as just as highly at a meeting
table as it is at the pulpit.
Mr. Speaker, on behalf of the United States
Congress, I would like to offer my sincere con-
gratulations to a man who could serve as a
role model to us all. A deep sense of personal
service to a congregation for 20 years is
something to truly be admired, and I am
thankful for his dedication to the Zion Hope
Primitive Baptist Church.

NATIONAL HISTORIC PRESERVA-
TION ACT AMENDMENTS OF 2005
HON. NICK J. RAHALL II
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005
Mr. RAHALL. Mr. Speaker, today I am intro-
ducing legislation to reauthorize two important
aspects of the National Historic Preservation
Act. Specifically, my legislation will extend au-
thorization for deposits into the Historic Pres-
ervation Fund through 2011 and will perma-
nently authorize funding for the Advisory
Council on Historic Preservation. In effect, we
are extending authority for the money and
expertise necessary for the Historic Preservation
Act to continue fulfilling its purpose.

Allowing the Act to continue fulfilling its pur-
purpose is critical. As Americans, we revere our
past. The individuals, cultures, institutions and
events which precede our arrival at this place
and time provide insight not only into who we
are today, but also who we aspire to be to-
morrow.

Preserving this rich tapestry of cultures and
traditions is a unique heritage that distinguishes federal
state, local and private efforts. The center-

piece of federal historic preservation is the Na-
tional Historic Preservation Act. Enacted in
1966, the Act provides an array of tools, as well as a
funding source, which are central to

One of those tools is the Advisory Council
on Historic Preservation which has two import-
tant roles under the Act. One is to assist the
Secretary of the Interior in cataloguing and
preserving known historic resources through
the National Register of Historic Places and
other programs. In addition, the Council as-
sists all federal agencies in avoiding damaging or
destroying historic resources through con-
sultation under the Act. The Council is not em-
powered to control agency decision-making or
federal property.

Last reauthorized for five years in 2000, the
Council is made up of Agency heads and
Presidential appointees with diverse back-
grounds. My legislation recognizes the critical
importance of the Council by providing it per-
manent authorization while also making sev-
eral important technical changes in the Council's make-
up and operation.

In addition, this bill will extend authorization
for deposits into the Historic Preservation
Fund for the next six years. The Fund is ad-
ministered by the National Park Service and
provides matching grants to states and terri-
tories for a variety of historic preservation pro-
grams including statewide historic preservation
surveys and preservation plans. The Fund also
provides matching grants to Indian Tribes, Alaskan Natives, Native Hawaiians and
Historically Black Colleges and Universities for
cultural heritage projects and the preservation of
historic structures.

The source for the Historic Preservation
Fund is a small percentage of the enormous
revenues generated by oil and gas develop-
ment in the Outer Continental Shelf. This leg-
islation would allow that funding to continue
flowing into the Fund through 2011.

Mr. Speaker, it is my hope that we can
move forward quickly on this legislation to
allow the Council and the Fund to continue
working. This legislation is nearly identical to a
recommendation in the Senate as well as legis-
lation introduced in the previous Congress which
received the support of the Advisory
Council, the National Park Service, and the
Historic Preservation Community.

These are vital programs serving to pre-
serve and protect the story of American and
its people.

A PROCLAMATION HONORING
ROMAN BUHLER AND MARY
JABLONICKY BUHLER
HON. ROBERT W. NEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005
Mr. NEY. Mr. Speaker, whereas, Roman
and Mary Buhrle have dedicated their lives to
each other; and
Whereas, Roman and Mary Buhrle have
shown the love and commitment necessary to
live a long and beautiful life together; and
Whereas, Roman and Mary Buhrle have chosen
share their special day with friends and family.
Therefore, I join with the residents of the en-
tire 18th Congressional District of Ohio in con-
gratulating Roman and Mary Buhrle on the oc-
casion of their marriage.

COMMENDING THE LAUNCH OF
THE SPACE SHUTTLE “DIS-
cOVERY”
HON. JEB HENSARLING
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005
Mr. HENSARLING. Mr. Speaker, today is a
truly momentous day in the history of our
space program. The lift-off of the Space Shuttle
Discovery is significant achievement for the
National Aeronautics and Space Administra-
tion (NASA). It is also a solemn tribute to the
astronauts lost in last shuttle mission and the
East Texans who helped in the wake of that
tragedy.

Two years ago, on a quiet Saturday morn-
ing, millions of Americans witnessed the tragic
loss of the Space Shuttle Columbia and its
seven heroic crewmembers in the skies over
East Texas. While we will never be able to
bring back the crew of Space Shuttle Colum-
bia, I am pleased to see our space program
reaching for the stars once more by launching the
first shuttle since the Columbia tragedy.

The crew of the Discovery, and their sup-
port team at NASA, have been working hard to
get our shuttle program back on track. To in-
crease the safety of the crew, the scientists at
NASA have made multiple improvements on the
shuttle. The Columbia accident investiga-
tion board made 15 recommendations that
have been implemented for this flight, as well
as 29 other improvements to launch, orbit, and
reentry procedures. Commander Eileen Collins
and her crew, James Kelly, Andrew Thomas, Wendy Lawrence, Charles Camarda, Stephen Robinson, and Soichi Noguchi are piloting the safest, most sophisticated, and most reliable spacecraft ever built.

This successful lift off, NASA's 114th shuttle mission, is a truly historic event. It is important that we remember the dangerous nature of space flight and exploration. As President Ronald Reagan said after the loss of the Space Shuttle Challenger, "We've grown used to the idea of space, and perhaps we forget that we've only just begun."

This week, we congratulate the scientists and technicians who are upholding the greatest traditions of America's space program. We recognize the spirit and courage of the space shuttle's crew. We thank the countless number of East Texans that helped in the search for evidence and answers in the wake of the Space Shuttle Columbia tragedy. And finally, we honor the memory of those brave men and women who have gone before in the name of exploration and in the quest for discovery.

HONORING KEVIN BRAGG ON THE COMPLETION OF HIS INTERNSHIP

HON. BART GORDON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to recognize the many contributions Kevin Bragg has made while interning in my Washington DC, office. Kevin has been a wonderful addition to the office and a great servant to the constituents of Tennessee's Sixth Congressional District.

But Kevin must return to Murfreesboro, the hometown we share. This fall, Kevin will begin his senior year at the University of Tennessee, where he is a political science major and a member of the Pi Sigma Alpha honor society.

During his internship, Kevin won over the entire staff with his ever-present eagerness and genuine interest in public affairs. He has attended briefings, addressed constituent concerns and served as a friendly and informative tour guide of the U.S. Capitol, providing visitors from Middle Tennessee with a personalized look at a national treasure.

I hope Kevin has enjoyed his internship as much as my staff and I have enjoyed his presence in the office. I wish him all the best in the future.

THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise to recognize the importance of the fifteenth anniversary of the passage of the Americans with Disabilities Act, the ADA. This legislation has played a vital role in ensuring that all Americans are granted the opportunity to fully participate in all aspects of society.

With the bipartisan support of this body and the Senate, President George H.W. Bush signed the Americans with Disabilities Act as a mechanism to ensure that "every man, woman and child with a disability can now pass through once closed doors into a bright new era of equality, independence, and freedom."

Thanks to the ADA, we have taken significant steps towards the achievement of that goal. The Act required educational facilities to become accessible to those in wheelchairs, opening the doors to learning and opportunity for thousands of Americans. It ensured the availability of transit, entertainment, and commercial facilities to the hearing-impaired and the blind, guaranteeing them an opportunity to participate in cultural events, media events, and public engagements.

The ADA has substantially moved this country forward in terms of our relationship with a group of Americans who had once been unfairly excluded for their physical abilities. We have taken important steps to increase the opportunities and lower the barriers to the equal and just treatment of all Americans. We have opened doors through the ADA for the full participation and contribution of individuals to our society.

Despite the efforts of the last decade and a half, we still have further to go. We still have more work to do to assist our citizens with disabilities. Today, approximately two-thirds of people with disabilities of working age are still unemployed. While many factors influence the high rate of unemployment for the disabled, a third of non-workers with disabilities reported their need for some type of accommodation as a major factor in their unemployment. An interesting aspect of this is that requests for minor accommodations—elevators, closer accessible parking, and special worksite modifications that are not particularly expensive to make, especially with advance planning.

Likewise, proposed cuts in housing, assistance technology, training, and other assistance programs threaten to undo many of the advances we have made in the last 15 years to help those with disabilities.

Whether it is the costs involved or the unwillingness to reach out to this brave segment of our national workforce, people with disabilities are still discouraged from opening some doors of opportunity. They still need more assistance in their fight for justice.

I encourage the Members of this chamber, as well as citizens and employers across the country, to pursue reinvigorated efforts at ensuring that every man, woman, and child is afforded an opportunity to success. Let us find ways to help every citizen build a better life as we create the conditions for a better America.

THANK YOU, BONNIE RINALDI

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. PORTER. Mr. Speaker, I rise today to recognize the contributions of Bonnie Rinaldi. Bonnie recently retired from the position of Henderson's Assistant City Manager on July 14th, and will be sorely missed by all.

Bonnie's public service spanned almost 30 years, starting as an intern in North Las Vegas. Since her intern days, Bonnie served in many aspects of city government, including assistant city manager for Clark County, before accepting the position of Assistant City Manager for Henderson in 1999.

I have known Bonnie for many years and consider her a good friend. I have also tremendously enjoyed working with her. Her intelligence and personal attributes have made her a strong and effective leader throughout Southern Nevada. Those who worked with Bonnie sometimes referred to her as "the little engine that could," skipping from meeting to meeting without missing a beat. Bonnie's life philosophy is that, with some determination and hard work, anything could be accomplished—a quality that will continue to take her far in life.

I wish Bonnie the best of luck in her retirement. It will be hard to imagine the City of Henderson without her.

HONORING CHRISTOPHER TATUM ON THE COMPLETION OF HIS INTERNSHIP

HON. BART GORDON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to thank Christopher Tatum for his service during his internship this summer. Chris is a resident of Gallatin, Tennessee, and he has been a tremendous help to my constituents in Tennessee's Sixth Congressional District.

Chris is returning home to prepare for his junior year at the University of Mississippi. As he finishes his experience in Washington, he is already looking toward the next adventure—studying in Italy during the fall semester.

Chris's remarkable attitude and eagerness have served him well as he has experienced the many facets of Congress first-hand. He has been very helpful in answering constituent concerns, guiding visitors through the U.S. Capitol and assisting me and my staff with countless projects.

I hope Chris has enjoyed this learning experience as much as we have enjoyed having him in the office. I wish him all the best in his future endeavors.

THE STRUGGLES OF DAMU SMITH

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise to bring to the attention and consciousness of this body the important and significant battles of a courageous warrior for justice, peace, and equality, Mr. Damu Smith. Damu has been a constant and consistent champion of peace and continues his fight for love and justice despite his struggle with cancer. I applaud this simple man, this mighty activist, and this concerned citizen of the world for his tireless struggle to make the world a better place. I encourage him to continue his fight, knowing that others are aware of his struggle and continue to need his leadership.

A passionate believer in peace and global peace movements, Damu has fought to raise the awareness of the world community of the
ugliness of apartheid in South Africa, the brutality of government injustice and gun violence, the need for environmental awareness and justice, and the international fights against racism, injustice, and discrimination. He has advocated peace instead of nuclear arms. He has sought reconciliation rather than violence. He has battled intolerance in lieu of understanding.

A mere perusal of his life story would demonstrate to any of us that Damu Smith has been a consistent champion of peace and justice wherever hatred and injustice reside. His humanitarian instincts, his desire to help others, and his sense of person responsibility is not bound by social expectations.

Damu, this champion of justice and peace, nonetheless, is currently waging a battle with cancer. I wish him well in his persistent fight against the disease.

I hope the struggle of Damu Smith does not go unnoticed by my colleagues in this body. I hope we see the challenges and struggles that face our relentless pursuers of peace, justice, and equality. I hope we take steps to prevent Damu’s struggle from being repeated for future generations of Americans. While he is a true fighter to the core, Damu’s struggle has not been easy. Yet he continues to persist in his advocacy of peace and justice.

What is more disturbing about Damu’s case is that there could be both genetic and environmental causes behind his disease: A family history and a location in “Cancer Alley”—a small section of Louisiana with a number of industrial plants and facilities and high rates of cancer, lung conditions, and skin irritations. It would seem that the Congress could address the question of whether there is a correlation between these incidence and the industrial population of the community. I nonetheless praise the continued struggle of this fighter for justice and warrior for peace. I submit the following article written by Shantella Y. Sherman of the Afro-American highlighting Damu’s struggle and his fight.

I thank Ms. Sherman for bringing this to the Nation’s attention.

**FAITH AND DELIVERANCE: DAMU SMITH WAGES WAR ON CANCER**

Damu Smith’s name bounces around rooms with the same quiet reverence often reserved for more popularly known figures: Nelson Mandela or Desmond Tutu. Sometimes, there’s a knowing smile or two. Smith is a kind of modern-day superstar among activists: fierce, passionate, courageous, God-fearing. His celebrity has reached far and beyond Washington, D.C., into the far corners of the planet. Damu Smith is a hands-on activist who has put a definitive spin on the way we live in this millennium. I live a healthy lifestyle; I don’t drink, don’t smoke, never did an illegal drug. I’m a vegetarian and I eat organic food. And yet, I end up with cancer. I wish him well in his persistent fight against the disease.

**WAR ON CANCER**

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and some of my friends were getting upset, saying I needed my rest. But I knew what I was doing. God knew what I was doing. I needed to organize my friends and family first, and I knew then that we’ve got to fight this, because it’s not just me. People have to go get checked, and we need to organize around this.

Out of those bedside meetings, Smith was able to establish the Spirit of Hope campaign, which seeks solutions to health disparities among minority and poor Americans. The campaign focuses on universal health care, education about the need for screening measures, addressing astronomical health care costs and promoting general well-being, minority and poor people.

“The whole spectrum of wellness is what the Spirit of Hope campaign is focusing on, and I wouldn’t have it any other way. It wouldn’t be me if it didn’t focus on something other than me,” said Smith.

Smith says that despite the cost and fear associated with the procedure, it is imperative that people of color and those living below the poverty line get regular checkups, including colonoscopies.

“What are you going to fear most? [If] you want to live, you cannot fear doing what you have to do to live. Colonoscopies are expensive. They’re between $700 to $900 dollars. And if you’re not insured, that’s a major problem. For Black people, and people of color and poor people, that’s a major problem.

“It’s very important we organize a campaign that insures that everyone has access to effective, holistic, comprehensive, prevention health care and access to treatment facilities so they get what they need when they need it,” he argued.

Smith is also thinking about access for his 12-year-old daughter Aisha, who loves references to “Asha Boo-Boo” and the “crown jewel of life” inasmuch as she doesn’t want the love to go through this. I want her and all of her little friends to get screened when the time is right. So, I have to work for them too,” said Smith.

As my time with Smith draws to a close, I begin to wonder if maybe he hadn’t been misdiagnosed. The wristband, which resembles a hospital clasp, is in fact a tag from the Essence Music Festival that he’s simply neglected to remove. Danu Smith is doing life with a happy, brilliant and winning the fight.

“This has been one of the happiest times in my life, in the midst of this crisis. Now some people might say: ‘How is that possible?’ It’s possible because I have seen the love come to me in such wonderful ways. I cannot begin to describe how profound, how rich and warm and beautiful the love has been from my family and friends and God. I thank God for this moment and for the chance to fight,” said Smith.

HONORING AMY TAYLOR ON THE COMPLETION OF HER INTERNSHIP

HON. BART GORDON
OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to thank Amy Taylor for her service to Ten- nesse’s Sixth Congressional District while interning in my office. Both Amy and I are proud to call Murfreesboro, Tennessee, home.

Amy will soon begin her senior year at Mid- dle Tennessee State University, where she is an English major. She is a member of the Kappa Delta sorority and a radio personality on the local jazz station.

Amy was a tremendous help and a wonderful addition to my office. She helped address constituent concerns, assisted me and my staff with numerous projects, and served as a friendly and informative tour guide of the U.S. Capitol, providing visitors from middle Ten- nessee with a personalized look at a national treasure.

I trust that Amy enjoyed her whirlwind internship and her first-hand examination of the workings of Congress. I know I enjoyed her fresh perspective and enthusiasm during her time here. I wish her all the best in the future.

HARLEM WEEK 2005: THE LEGACY CONTINUES

HON. CHARLES B. RANGEL
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise today to com- memorate the 131st anniversary of the Harlem community. The Harlem community this year. It will be an impor- tant celebration of the soul of America and the community that has long nurtured that soul. This celebration, exposure, and education of the community will truly be instrumental in und- erstanding and appreciating the beauty of the Harlem community.

As always, I welcome the Members of this Congress, as well as all citizens of these United States of America, to join me and the Harlem community during Harlem Week 2005. You will not regret your visit to Harlem during Harlem Week and I look forward to seeing you in Harlem.

HARLEM WEEK 2005: THE LEGACY CONTINUES

NEW YORK’S PREMIERE FESTIVAL CONTINUES TO CELEBRATE DECADESS OF COMMUNITY SERVICE

June 29, 2005 (Harlem, USA)—Back by pop- ular demand, HARLEM WEEK, which cele- brates its 31st Anniversary, returns with a
On Sunday, July 31st, HARLEM WEEK salutes the Harlemites during the “Great Day in Harlem” celebration at Ulysses S. Grant National Memorial Park, 122nd Street and Riverside Drive. This all-day, three-hour event with the theme “The Family Unity Day Cultural Festiva” at 1:00 p.m., featuring family-oriented outdoor activities including theatrical excerpts, dance performances, story-telling, spoken word, and more. The celebration continues with the Harlem Jazz & Music Festival’s fashion extravaganzas, featuring the latest, cutting-edge creations by designers from emerging and leading urban designers. Runway activities begin at 5:00 p.m. The festive day will end with a great celebration of accomplishments by famous Harmites. The Harlem Jazz & Music Festival and WBLS FM invites the entire family to join them for this enchanting moonlight night of great music. Mort Walker, Laila Haway, Freddie Jackson, the Alvin Alley Dance Theater and other surprise guests pay homage to Harlem’s legacy. This spectacular affair, sponsored by Time Warner Cable and Citibank, runs from 6:00 p.m.–9:00 p.m.

On August 20th and 21st, HARLEM WEEK invites everyone to come to uptown New York City for this month’s most exciting weekends, beginning on Saturday, August 20th, with the annual “Uptown Saturday Night” musical festival. This all-day celebration consists of a plethora of exciting events as attendees take to the streets throughout Harlem, enjoying outdoor cultural arts, crafts, exotic foods and live entertainment from a variety of stages along West 135th Street (between Malcolm X Blvd and St. Nicholas Avenue). The annual “Flava” fashion show is staged onto the stage uptown Saturday Nite, and concert acts will be provided by stations Power 105, WKTU–FM, and Lite FM. Also taking place on August 20th is the Gospel Caravan which features such pets and activities as a petting zoo, story-tellers, and interactive acts, all with a strong emphasis on education and achievement, sponsored by Washington Mutual, The New York Post, and WWRL 1600.

Sunday, August 21st, is HARLEM DAY and the good times continue to roll. The entertainment offerings for the Children’s Festival remain on 135th Street along with the addition of several exciting events: The Children’s Festival adds a fashion show featuring the hottest rock-and-roll fashions; The 16th Annual Upper Manhattan Auto Show includes a display of cars from antiques to 2005 preview models; students and families discover the fun and how to buy them at The National Historic Black College Fair & Expo; and The NYC Health Fair & Expo features free health information and screenings. Music and other entertainment will be courtesy of Kiss-FM, Hot 97, and CD 101.9.

On August 29th, the National Black Sports & Entertainment Hall of Fame Induction Gala will be held, honoring both live and posthumous luminaries in the fields of sports and entertainment. The area of entertainment will include Don Byrd, Iman, Kenny Gamble & Leon Huff; Phyllicia Rashad, Ray Baretto, Bonnie Kauff, Marian Anderson, Alvin Alley, Pearl Bailey, Symposium Sid, and Tito Rodriguez. In the area of sports, inductees include John Chaney, Fritz Pollard, Rafer Johnson, Louis Armstrong, Jack Johnson, Elston Howard, Johnny Sax, and Al Maguire. Vignette tribute for various inductees will air on WNBC-4 throughout the summer.

If HARLEM WEEK only accomplished giving people a sense of pride and enjoyment, that alone would be a worthy feat; however, HARLEM WEEK does that while also addressing other community needs. With the support of sponsors and elected officials, HARLEM WEEK has been a proven method for advancing education by giving grants to educational organizations, plus scholarships to thousands of students who have worked diligently inside the classroom and outside in the community. The relationship between those parties and HARLEM WEEK has not only garnered higher enrollment, but also provided internships and careers for students. Scholarships and grants are presented at virtually every HARLEM WEEK. Harlem Jazz & Music Festival, and National Black Sports & Entertainment Hall of Fame event.

HARLEM WEEK also hosts events focused on economic development and on the welfare of Senior Citizens. Perhaps this is why mayors, governors, senators, members of congress, foreign leaders, and other inspirational figures, have opted to address HARLEM WEEK audiences over the years.

The HARLEM WEEK’s 31st Anniversary is a great celebration of accomplishment through unity. Those unable to attend can still partake in the festivities by listening to live radio broadcasts on stations throughout the New York City area. HARLEM WEEK invites you to come discover the treasures of a proud community. Discover Harlem’s rich history and cultural heritage.

HON. RON PAUL
OF TEXAS

INTRODUCTION OF THE CURES CAN BE FOUND ACT

HON. RON PAUL
OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. PAUL. Mr. Speaker, I rise to introduce the Cures Can Be Found Act. This legislation promotes medical research by providing a tax credit for investments and donations to promote adult and umbilical cord blood stem cell research, and provides a $2,500 tax credit to patients undergoing treatment. The year’s umbilical cord blood stem cells have already been used to treat 67 diseases, including sickle cell disease, leukaemia, and osteoporosis. Umbilical cord blood stem cells have also proven useful in treating spinal cord injuries and certain neurological disorders. Adult stem cells have also shown promise in treating a wide variety of diseases ranging from brain, breast, testicular, and other types of cancers to multiple sclerosis, Parkinson’s, heart damage, and rheumatoid arthritis.

By providing the Cures Can Be Found Act with an important tax incentive for fundamental discoveries that will have a significant and immediate impact on the supply of stem cells, the legislation ensures that more patients will have access to these life-saving treatments.

95 YEARS OF SERVICE AND EMPOWERMENT: THE LEGACY OF THE NATIONAL URBAN LEAGUE CONTINUES

HON. CHARLES B. RANGEL
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. RANGEL. Mr. Speaker, I rise to bring to the attention of my colleagues and the country the importance and significance of the events being held in Washington this week. On Wednesday, July 27, the National Urban League will celebrate its 95th anniversary with
a conference-summit on the challenges and advances in the empowerment of our communities to change the daily lives of Americans. With a broad and exemplary series of panels and discussion sessions, the Urban League will continue its legendary service in support and raising awareness of the limited job opportunities, changing health care costs, increasing economic and social disparities, and disappointing gaps in educational equality. The Urban League will not only highlight and question the challenges and limitations faced by communities across the county, but they will also propose and examine solutions for those communities.

For almost a century now, the Urban League has championed and advanced solutions to the crippling disparities that exist within our communities. They have long been involved with the struggle for equality and opportunity that faces the Black community, in particular, but economically disadvantaged groups nationwide.

In reaction to the Supreme Court’s 1896 Plessy v. Ferguson decision approving segregation in the United States, Black Americans were quickly relegated to the most menial jobs, the poorest conditions of housing and health care, and the least access to quality education. Individuals, such as Mrs. Ruth Standish Brown and Dr. George Edmund Haynes, led the effort to adopt and prepare Black Americans for their economic struggles in urban America. Their efforts led the Committee on Urban Conditions, the Committee for the Improvement of Industrial Conditions Among Negroes, and the National League for the Protection of Women Workers to merge the National League on Urban Conditions Among Negroes, later shortened to the National Urban League. Since that merger of groups and interests, the National Urban League has been at the forefront of fighting for equal opportunities and treatment of Americans in this country. They have pursued public and private strategies designed to provide training, assistance, development and awareness programs about the struggles for equal treatment and opportunity.

African Americans, Whites, Blacks, Hispanics, and Asians, the National Urban League has been a champion of the economic welfare of the disadvantaged.

Today, the League continues that legacy of leadership in economic justice. They continue to provide useful information to policymakers in their evaluation and development of programs to aid the poor. They continue to inform the community of mechanisms to overcome the challenges that lay before them. They continue to be an advocate for the poor, an intricate part of the democratic process for the electorate, and a champion of justice and equality for the Nation, and they do all of this at the local community level through its chapters in communities around the Nation.

This week, led by its president, Marc Morial, who is providing superb leadership to the Urban League in the tradition of the great Whitney Young, the League continues its legacy and consciousness-building. I hope my colleagues will be reminded of the importance of this group to our economic development. As they conference in the Nation’s Capital, I hope we would provide them a voice for and an ear to their causes.

Mr. Speaker, I submit the following article written by Zenitha Prince of the Afro-American concerning this week’s meeting. I welcome the attendees and conferrees of this year’s conference to their Nation’s Capital, Washington, D.C.

**Urban League Celebrates 95 Years**

**July 23, 2005—**About 15,000 people are expected to join the National Urban League in “Celebrating 95 Years of Empowering Communities and Changing Lives" during its annual conference, which will convene at the Washington Convention Center in Washington, D.C., from July 27 to 31.

"As we celebrate 95 years of direct service to communities across the nation, we expect the annual conference in Washington, D.C., to be the largest gathering of the Urban League Movement," said Marc H. Morial, National Urban League president and CEO, in a prepared statement.

The annual conference will feature innovative and interactive plenary sessions and events that present some of the Nation’s most illustrious and influential leaders. It also gives us a chance to discuss and finds ways to help another in closing the tremendous gaps that exist in health, education and economics. The annual conference helps bring people together around issues of concern to our community and the Nation.

Among the speakers are U.S. Sen. Hillary Clinton (D-N.Y.); hip hop historian and author Kevin Powell; author, activist and comedian Dick Gregory; and Rainbow Coalition/PUSH founder and president the Rev. Jesse Jackson. The conference will also feature performances by India.Arie, Brian McKnight, Doug E. Fresh and Chuck Brown.

Most notably, however, the 2005 conference will feature the new Influenza Summit geared towards engaging, connecting and building young professionals. The list of speakers includes (The Apprentice) star Kwame Jackson, who plans to discuss how he parlayed his reality television experience into opportunities that include a new company, Legacy Holdings, which is even now brokering a $3.8 billion deal to build a real estate development called Rosewood, just miles outside of the District of Columbia, and a lucrative career on the investors’ circuit. "I wouldn’t be on this phone or have any notoriety if I had stayed on my job [with Wall Street firm Goldman Sachs]," said the 30-year-old D.C. native. Modestly deflecting any praise about his achievements, Jackson advised young entrepreneurs that corporate America is a tough environment for a young Black person, and that the secret to success takes tenacity and vision to attain success. "Being an entrepreneur is for people who enjoy getting their teeth kicked," Jackson said. "You have to be the kind of person that will get up and ask for more.”

The Influenza Summit will also examine the changing civil rights landscape and the young Black person’s role in it. "I think we’re the up-and-coming leaders. Any civil rights movement from here on out will be carried out by us," said Larry Meadows, Jr., president of the Washington National Urban League Young Professionals.

Both Jackson and Meadows agreed that the Black community is moving into the second generation of the civil rights struggle, which involves the fight for economic parity. "We’ve grown by leaps and bounds, but if you look at it economically, we’ve not gone very far," Meadows said. "We have a lot of successful individuals, and that creates the perception that we’re OK. But overall, we’re still struggling.


**Paul Kasten Post Office Building**

**HON. DENNIS R. REHBERG**

**OF MONTANA**

**IN THE HOUSE OF REPRESENTATIVES**

Tuesday, July 26, 2005

Mr. REHBERG. Mr. Speaker, I would like to thank the Government Reform Committee and this body for joining me in recognizing one of my constituents, Paul Kasten, an employee of the U.S. Postal Service for the past 57 years. Before his retirement this spring, at the age of 86, Paul Kasten had spent the last half-century serving eastern Montana. He began his postal career in 1947 riding a saddle horse to the farming community of Waterkins.

In 1959, many of the rural routes consolidated expanding Mr. Kasten’s route to 93 miles. Despite the immense distances, he would deliver regular mail to 30 families three times a week. His dedication and faithfulness earn him praise above which he will acknowledge. In addition to his mail deliveries, Paul would also deliver groceries, supplies, and anything that was needed by his rural customers. He was and is a valued and dedicated member of those communities.

Paul Kasten is a tribute to the entire U.S. Postal Service and I urge your support for his distinguished career. In honor of all his years of faithful service, I am recognizing Mr. Kasten’s achievements by designating the Brockway Post Office as the “Paul Kasten Post Office Building.” Thank you.

**Honoring Kassi Scott on the Completion of Her Internship**

**HON. BART GORDON**

**OF TENNESSEE**

**IN THE HOUSE OF REPRESENTATIVES**

Tuesday, July 26, 2005

Mr. GORDON. Mr. Speaker, I rise today to recognize the many contributions Kassi Scott made while interning in my Washington, D.C., office. Kassi, a native of Moss, Tennessee, was a wonderful addition to the office and a great servant to the constituents of Tennessee’s Sixth Congressional District.

Kassi soon will begin her junior year at Tennessee Tech University, where she is a political science major and president of the College Democrats.

Kassi has gained a wealth of congressional experience. She interned in my Cookeville, Tennessee, office prior to her internship in Washington. While in our Nation’s capital, she attended briefings, addressed constituent concerns and served as a friendly and informative tour guide of the U.S. Capitol.

I hope Kassi enjoyed her internship as much as my staff and I have enjoyed her presence in the office. I wish her all the best in the future.
Mr. BONNER. Mr. Speaker, Baldwin County, Alabama, and indeed the entire First Congressional District recently lost a dear friend, and I rise today to honor him and pay tribute to his memory.

Senator L. Dick Owen, Jr., was a devoted family man and dedicated public servant throughout his entire life. A native of Bay Minette, Alabama, he was a 1941 graduate of the University of Alabama in Tuscaloosa. Governor George Wallace appointed him to the position of Baldwin County Probate Judge in January 1964 following the death of his predeces-sor, Judge Ramsey Stuart. One year later, he was elected to the Alabama House of Representatives, where he served two terms before running for and winning two terms in the Alabama Senate. His work in the state legislature was met with wide praise, and he was honored by the Alabama Wildlife Federation as "Legislative Conservationist of the Year," and, in 1976, by the Alabama Press Association as "Most Effective Senator."

Senator Owen was also actively involved in his community and was a charter member of the Bay Minette Rotary Club. He was also honored in 1982 when the performing arts center of Faulkner State Community College—an institution which he helped locate in Bay Minette—was named the "L.D. Owen Performing Arts Center." His devotion to his fellow man was unmatched, and I do not think there will ever be a full accounting of the many people he helped over the course of his lifetime.

Senator Owen was also a proud veteran of the United States Army and served with distinction as a member of the famed 82nd Airborne Division during World War II, where he earned six Bronze Stars. During the Korean War, where he was elected to the Alabama House of Representatives, where he served two terms before running for and winning two terms in the Alabama Senate. His work in the state legislature was met with wide praise, and he was honored by the Alabama Wildlife Federation as "Legislative Conservationist of the Year," and, in 1976, by the Alabama Press Association as "Most Effective Senator."

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Mr. Speaker, I ask my colleagues to join me in remembering a dedicated public servant and long-time advocate for Baldwin County, Alabama. Senator Owen will be deeply missed by his family—his wife, Annie Ruth Heidelberg Owen; his son, L.D. Owen, III; his brother, James R. Owen; his sister, Nell Owen Davis; his three grandchildren; and his two great-grandchildren—as well as the countless friends he leaves behind. Our thoughts and prayers are with them all at this difficult time.

Gaza: Test Case for Peace

HON. BARNEY FRANK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. FRANK of Massachusetts. Mr. Speaker, last week I opposed an amendment to the State Department Authorization Bill that would have put restrictions on the ability of the President to decide on the appropriate flow of aid to the Palestinian Authority, because I believe that a Palestinian Authority both willing and able to confront violent opposition to the peace process with Israel is essential for peace to succeed. Later that day, after our debate, I read—a bit tardinly—an excellent article that had been published in the Washington Post, for Wednesday, July 20, by the Israeli Ambassador to the United States, Daniel Ayalon. Ambassador Ayalon is an extremely able diplomat, who is himself a dedicated supporter of a rational process leading to a genuine two state solution in the Middle East. The article he wrote underscores the importance of a commitment by the Palestinian Authority to reverse the worst-case scenario of violence and to curtail the activities of those in the Palestinian community who are determined to bring the peace process to a violent halt.

As Ambassador Ayalon notes, Prime Minister Ariel Sharon has confronted those within Israel who are opposed to the peace process in general, and very specifically to the withdrawal of Jewish settlers from Gaza. This is of course, as the Ambassador points out, a cause of great anguish within Israel, and Prime Minister Sharon and his allies ought to be confronted, if peace is to go forward with this difficult peace process, that they are showing in their willingness to confront this opposition. It is entirely reasonable for Israel to ask, as Ambassador Ayalon does, for a comparable level of effort from President Abbas of the Palestinian Authority.

I do not mean by this to equate the opposition faced by President Abbas on the one hand and Prime Minister Sharon on the other. While I disagree strongly with those settlers who are seeking to derail the peace process, they have not in any significant degree responded to the kind of murderous violence that has been carried out by others within the Palestinian community seeking to put an end to peace. I say that they are people seeking to put an end to the peace process, Mr. Speaker, because there is no other explanation for the decision to engage in terrorist murders of Israelis within Gaza while the Israeli Government is in fact in the process of withdrawing from Gaza. Individual Israelis are not the only victims of these murders—the peace process is also an intended victim.

I believe it is important for the United States to provide strong support for all those trying to go forward with the difficult peace process, and I think it is fair for Ambassador Ayalon to point out that the effort so far of President Abbas has fallen short of what Israel has a right to expect.

I will continue to oppose, as I did last week, measures that seem to me to undercut President Abbas' ability to go forward with this admittedly difficult task. At the same time, I think it is important for those of us who are strong supporters of the peace process to join in reminding President Abbas of the importance of his being more successful than he has in the past in this regard.

Mr. Speaker, I ask that Daniel Ayalon's article be printed here.

[From the Washington Post, July 20, 2005]

In Gaza, a Test Case for Peace
(By Daniel Ayalon)

Next month thousands of Israelis will be uprooted from their homes in 25 settlements against the backdrop of widespread political opposition and intensifying Palestinian terrorism. Israel faces difficult days ahead. While Prime Minister Ariel Sharon is boldly determined to move forward with disengagement from Gaza and the northern West Bank out of a deep conviction that it is critical to Israel's future. Unfortunately, the Palestinian leadership has failed to meet him halfway. The Palestinian Authority's refusal to disarm terrorist organizations has enabled the terrorists to regroup and renew deadly attacks against Israelis, compounding the difficulties of this engagement and casting an ominous shadow on the possibility of future progress.

The sharp increase in Palestinian terrorist attacks, particularly in the past week, underscores the precariousness of the situation. While Israel is committed to completing the disengagement as planned, we will not sit idly by-unless it is in the clear interests of both Israelis and Palestinians to see this process succeed.

Time is running out for the Palestinian leadership to confront the terrorists. Should it fail to do so, Israel will be forced to take the necessary steps to defend itself. For the Palestinians miss another historic opportunity, the world should insist that they crack down on terrorism now.

After numerous failed attempts by Israelis and Palestinians to reach peaceful accommodation over the past 15 years, Sharon decided to embark on a different course. Disengagement is an immense policy shift and indeed historical undertaking, aimed at reducing friction between Israelis and Palestinians, jump-starting the peace process and providing the Palestinian people with a unique opportunity to build institutions of responsible self-governance.

At the same time, it puts a terrible burden on thousands of Israelis called on to leave their homes against their will. Many have lived there for more than three generations. Specially trained, unarmed units will move from house to house as part of a massive logistical operation involving some 50,000 security personnel, accompanied by teams of social workers and psychologists. Living breathing communities, some more than 30 years old, will simply vanish. Businesses, factories and farms will be shut down. Schools, synagogues and cemeteries will be relocated. The removal of graves, including those of terrorism victims, will be especially heart-wrenching.

The trauma of disengagement has unleashed dangerous rifts in Israeli society. While the withdrawal is supported by most of the public, many Israelis deeply oppose it on religious, emotional and, indeed, historical grounds. Sharon has demonstrated steadfast leadership in the face of an unprecedented political backlash from his traditional supporters. Given the intense pain and growing civil disobedience, the prospect of violent resistance cannot be ruled out. Regardless of the outcome, the repercussions of disengagement will be felt in Israel for years. At stake is not only the success of disengagement but also the very fabric of Israeli society.

Adding fuel to the fire, public anxiety in Israel has increased because of the resurgence of Palestinian terrorism, including suicide bombings, drive-by shooting attacks, and rocket attacks. Rather than confront the terrorist organizations and disarm them, Palestinian President Mahmoud Abbas has invited Hamas into his government, thereby providing a terrorist organization with an official seal of approval. The result has been an emboldened Hamas, a further weakening of the Palestinian Authority and a potentially disastrous perception that disengagement is a victory for terrorism rather than an opportunity for peace.

Abraham must seize the moment and lead the Palestinians toward peace. The terrorist organizations must be disarmed as called for in the "road map" if Palestinian statehood is to be achieved. This is nonnegotiable. Gaza the "road map" if Palestinian statehood is nonnegotiable. Gaza
prove itself capable of governing a functioning democratic society, free from terrorism and focused on improving the lives of its citizens, or will it squander yet another opportunity? After Waving Gaza, Israel will no longer provide an easy excuse for Palestinian failure.

The world, solid, principled and bipartisan support for Israel in the United States has been vital to our ability to overcome terrorism and prepare the ground for a political initiative. The notion of disengagement would have been unthinkable had Israel not prevailed in the latest round of sustained terrorism waged by the Palestinians since September.

The stakes for Israel are enormous. We are a strong but small country facing a largely hostile region roughly 500 times our size. We can ill afford to make mistakes. Iran’s nuclear weapons program is imminent, posing an existential threat. Syria and Iran promote and support Palestinian terrorist groups known to our destruction. Hezbollah has intensified terrorist attacks against Israel from Lebanon, opening a second front aimed at derailing any progress. Despite these challenges, Israel has shown it is prepared to take difficult steps to achieve President Bush’s vision for peace in the Middle East. We should insist on no less from the Palestinians.

The writer is Israel’s ambassador to the United States.

TRIBUTE TO PAUL EDWARD HUGHES

HON. ANNA G. ESHOO
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. ESHOO. Mr. Speaker, I rise today to honor the life of Paul Edward “Ed” Hughes, who died Sunday, July 17, 2005, at his home in Sunset Beach, North Carolina.

Mr. Hughes, who retired to Sunset Beach in 1992, was serving his third term on the Sunset Beach City Council. He was born in Pennsboro, West Virginia in 1926 to John and Mary Hughes, and grew up in Baltimore, Maryland. Ed served in the Army Air Corps during World War II and later graduated from Loyola College, where he was named an All-American in lacrosse, playing on the All-South team in 1948 and 1949. He later received his master’s degree from the University of Pennsylvania.

Ed Hughes moved to Wilmington, Delaware in 1958, where he taught at Tower Hill School for 34 years, chaired the History Department and served as Dean. Over the course of his tenure he introduced anthropology to the school curriculum and headed the summer school. He wrote a book about the founding of the Junior Humanities program for gifted inner-city students, a model project for which he received the Hollingsworth Award. He was a head basketball coach for 14 years, coached football, and started the golf team.

Ed Hughes was a candidate for President of the City Council in Wilmington, Delaware and chaired the Republican City Committee. He was a frequent lecturer on current events and world affairs at Crosslands in Kennett Square, Pennsylvania and was a longtime manager of the Hagley Museum on the Brandywine River. He was a devoted husband, a proud father of five, a golfer, and in later life, a painter. He loved crossword puzzles, his golfing buddies and a good steak.

Ed Hughes is survived by his wife of 54 years, Jody Hughes, his daughters Mary and K.C. Halperm, his sons Paul, John and Mark, as well as seven grandchildren.

Mr. Speaker, I had the pleasure of knowing Ed Hughes. He was a gentle man with a superb intellect and a wonderful wit. He was a man who was comfortable with his life and achievements, most of all his magnificent children and theirs. Ed Hughes loved his family, his community and his country. I ask my colleagues to join me in honoring the life and works of this good man and in extending to his wife and entire family our most sincere sympathy.

USA PATRIOT AND TERRORISM PREVENTION REAUTHORIZATION ACT OF 2005

SPEECH OF HON. BRIAN HIGGINS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 2005

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3199) to extend and modify authorities needed to combat terrorism, and for other purposes:

Mr. HIGGINS. Mr. Chairman, in the wake of the terrorist attacks of September 11, 2001, the United States Congress passed the USA PATRIOT Act with broad bipartisan support to better equip law enforcement and intelligence agencies in their struggle to combat terrorism.

As the shock of those horrible events subsided, many from both political parties began to question some of the more invasive aspects of the Patriot Act, including a number of provisions that allow Federal investigators to enter homes, tap phone lines, and search library records without a warrant.

Since then, the Patriot Act has become a much-debated issue, symbolizing a Federal Government abusing its power and violating civil liberties for some, and a necessary bulwark against the barbarity of terrorists for others. And yet, all agree that the United States faces a daunting challenge in combating terrorism, both abroad and at home, through continuing efforts to safeguard borders, protect airports, and monitor centers of trade and commerce.

In order to overcome these challenges, we must remain vigilant in our fight against terror and continue to strengthen our resolve even in the face of degraded and desperate acts such as the bombings that terrorized London this past week and a few short weeks ago.

The events in London provide a somber and revealing backdrop for the current debate regarding the renewal of a number of provisions contained in the USA PATRIOT Act. Many of my colleagues have voiced well-reasoned and thoughtful objections to the current bill, the USA Patriot and Terrorism Prevention Reauthorization Act of 2005, H.R. 3199, which would make permanent 14 of the 16 provisions of the USA PATRIOT Act. I share the concerns of my colleagues who fear that the proposed legislation will endanger the civil liberties of our U.S. citizens and create the potential for abuse of Federal powers.

Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006

HON. JEFF MILLER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. MILLER of Florida. Mr. Speaker, I want to thank the distinguished Chairman of this
IN HONOR OF JAMES FLANNERY

HON. JENNIFER KUCINICH

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of James Flannery, a statesman dedicated to his family, his church, his community and his country. Named Clevel-
dland’s “Man of the Year” in 1981, his life of service continued for more than two decades and will be carried on by the friends and fam-
ily who are deeply saddened by his passing.

While he was always ready for a game of basketball or football, Jim was more of a math
wiz than an athlete. He earned his degree in accounting at the University of Notre Dame before turning to politics and serving Ohio’s 48th district as a State Representative from 1967 to 1972. But his service did not end there. He served on the Ohio Board of Re-
gents, the Board of Regents, the Board before becoming the Chairman of the City of Lake-
wood Financial Review Commission and the Charter Review Commission. Jim also served as a member of the Board of Revision for the Cu-
yahoga County Treasurer’s Office and was the founding chair of both the University of Notre Dame National Alumni Board and the St. James Parent Teacher Union.

As those closest to him know, even with his extensive community involvement, Jim’s family was his true calling and passion, and was al-
ways a huge source of pride—and with good reason. His extensive family (33 grand-
children) known by many as “The Flan Clan,” has had quite an effect on their community. Almost a dozen of his family members have
followed his footsteps at St. Edward’s High School to receive a Holy Cross education, and the family’s local political involvement goes back three generations.

Mr. Speaker and Colleagues, please join me in honor and recognition of James Flannery and the family he left behind. His life was an outstanding service to our community. Jim’s life will be remembered and he will be greatly missed by the many people whose lives were blessed by his presence.

INTRODUCTION OF THE TEACHER Training Expansion Act of 2005

HON. ELIJAH E. CUMMINGS

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. CUMMINGS. Mr. Speaker, currently, too many of our nation’s “special needs” children are underserved due to inadequate training of
general education teachers. It was recently re-
ported that approximately 80 percent of stu-
dents with learning disabilities receive the ma-
jority of their instruction in special education classrooms. According to the U.S. Department of Education, 50 percent of disabled students between the ages of 6 and 11, and 30 percent of disabled students between the ages of 11 and 12, are taught in regular classrooms.

These figures reflect the mandate under the Individuals with Disabilities Education Act (IDEA) that requires, to the maximum extent appropriate, children with disabilities . . . are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with disabilities from the regular environment occurs only when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily. IDEA 612(f)(9)(A).

As more children with disabilities enter general education classrooms, it is critical that
general education teachers and personnel are ade-
quately trained to adapt curricula to suit
their needs. Regular education teachers and personnel must be equipped to collaborate
derg complete with special education teachers to ensure that the best individualized approaches are utilized for the successful integration of disabled stu-
dents into the classroom.

For these reasons, I am reintroducing the Teacher Training Expansion Act of 2005, leg-
islation that would address this crucial area of
teacher development. Specifically, this legisla-
tion would authorize the Secretary of Edu-
cation to give preference, in the distribution of
certain grants under IDEA, to local educational agencies and the distribution of these grants. How-
ever, I firmly believe local educational agen-
cies and public or private nonprofit organiza-
tions that are at the forefront of training teach-
ers who work with disabled students, must be
equipped to provide equal consideration in pro-
vide this vital type of local educational develop-
ment.

Mr. Speaker, by supporting this legislation we will help our teachers gain the skills they
need to work effectively with disabled students in
general education classrooms and help make our promises to provide a quality education to all students.

Lastly, as we celebrate the 15th Anniversary of the Americans with Disabilities Act today,
let us be ever mindful to continue to level the playing field for our disabled and special needs communities in any way that we can.

This bill would help in furthering this goal and I urge my colleagues to cosponsor the Teach-

FIFTEENTH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. JAMES P. MORAN

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. MORAN of Virginia. Mr. Speaker, today marks the fiftieth anniversary of the Ameri-
cans with Disabilities Act (ADA). Signed into law by George H. W. Bush on July 26th in 1990, and enacted with bipartisan support in the Congress, the ADA served as the world’s first comprehensive declaration of equality for people with disabilities.

Following in the footsteps of civil rights leg-
islation from the 1960s, this landmark legis-
lation has sought to end discrimination against people with disabilities in the workplace and encourage full integration into American soci-
ety, particularly through enabling independent living.

In its fifteen years of existence, the ADA has accomplished much. Access ramps, curb
cuts, Braille signs, and assistive listening de-
vices at movie theaters now appear in commu-
nities around the country. Transit and com-
munication systems have become more ac-
cessible. Indeed, the ADA has contributed to
greater awareness among Americans as to the needs and potential of people with disabili-

Yet despite this progress, I remain deeply concerned that the promise of the ADA has not been fulfilled for many of America’s 54 mil-

ion people with disabilities. For example, em-
pirical evidence demonstrates that there has been little change in the employment rate of
disabled people. Only 32 percent of

Subcommittee as well as Chairman LEWIS of the full Committee for their hard work and
dedication to our Nation’s service members and veterans. Working with the House Com-
mmittee on Veterans’ Affairs, the conference re-
port accompanying H.R. 2361, the fiscal year 2006 appropriations act for the Department of Intern-
tional Affairs and Operations, had an additional $5.1 billion allocated to the Vet-
erans Health Administration. These funds are es-
specially critical for VA to treat new veterans,
who return from Operation Enduring Free-
dom and Operation Iraqi Freedom veterans.

Year after year, the annual budget for the Vet-
erans Health Administration is the subject of
great debate. On February 16, 2005, VA Secre-
tary Nicholson and other VA officials
stood before the VA Committee and justified the Administration’s budget request. Subse-

quent, we learned that all the hard work and
tough choices Congress has made to increase
VA health care funding—by no less than 42
percent in just the last four years—has now
been overshadowed by a “discovery” of inad-
equate funding. Since then, the VA Committee
has held three separate hearings over the past month and a half to understand and ex-
amine VA’s methodologies for forecasting
health care costs and utilization projections,
to identify the breakdown in the budget process,
and to bring to light the serious flaws in VA’s usage assumptions.

Equal important, the conference report de-
mands new levels of accountability inside VA.
In fact, the VA Committee is seeking to institu-
tionalize accountability in the budget process
at VA to ensure that similar circumstances can
be averted in the future. There is but one con-
stant, at least on agreement upon: the VA must en-
sure a continuity of care for our severely dis-
able veterans.

While $1.5 billion seems to be the right fig-
ure at this point in time, there are only two
months left in the fiscal year. This means that
the Department of Veterans Affairs has the
ability to roll over into fiscal year 2006 what-
ever sums remain unspent in fiscal year 2005;
I expect department officials to spend wisely.
With this particular provision, we are not only
seeking to meet the urgent needs for the re-
mainder of this year, but are providing a sig-
nificant down payment on the shortfall we an-
ticipate in fiscal year 2006.

Mr. Speaker, again, I applaud the work of
Chairman LEWIS and Chairman TAYLOR of the Appropriations Committee, as well as the lead-
ership of the House and Senate Veterans’ Af-
faire Committees.
working-age people with a disability are employed. Today, people with disabilities are three times more likely than those without disabilities to live in poverty. There is much progress still to be made.

Unfortunately, in recent years the federal courts have narrowly interpreted the ADA and have weakened its most important provision of the Act, especially in regards to the workplace and the applicability of ADA to state law. Moreover, the Administration has proposed funding cuts to key programs—Section 8 housing, Medicaid, and vocational rehabilitation and assistive technology—which enable many people with disabilities to achieve self-sufficiency and live independently.

On this anniversary of the American with Disabilities Act, we must make sure that we fulfill the promise made to our disabled brothers and sisters fifteen years ago. Indeed, the goals of the ADA could not be more pertinent than they are today, when thousands of soldiers are returning home from Iraq and Afghanistan with severe injuries. It is my hope that we can move forward today to fully realize the goals of equality and integration set forth in the Americans with Disabilities Act.

Mr. Speaker and Colleagues, please join me in honor and tribute of Reverend Vasilije Budimir Sokolovic, whose ministry and leadership continues to provide faith and support to countless individuals and families of the St. Sava Serbian Orthodox Church, and serves as an instrument of spiritual connection to the life and work of our Saint Budimir Sokolovic of Dobrun. With courage and steadfast conviction in his faith, Saint Budimir Sokolovic paid the ultimate sacrifice in his quest for religious freedom.

Reverend Vasilije Sokolovic continues to carry the faithful torch of his father—a blazing legacy of freedom from tyranny, a burning reminder of the fragility of democracy, and a light of hope and inspiration for people around the world searching for the light of liberty.

COMMEMORATING THE FIFTEENTH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. ELIJAH E. CUMMINGS
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. CUMMINGS. Mr. Speaker, fifteen years ago today, our Nation enacted the Americans with Disabilities Act, giving civil rights protection to individuals with disabilities. This landmark legislation can be described as nothing less than monumental and groundbreaking for those with disabilities as it brought this community into the mainstream folds of our Nation.

The ADA has brought about many changes in workplaces, transportation, schools, public buildings, parks and telephone services. Closed captioning, sidewalk curb cutouts, accessible entrances and restrooms, equal employment opportunities—all are a direct result, making the ADA one of the most far-reaching pieces of legislation ever enacted by our Nation. Perhaps more important than removing physical barriers, the ADA has been successful in changing the way society views our members with disabilities. Society understands and now demonstrates that people with disabilities could, and should, fully participate in all aspects of life.

Mr. Speaker, despite the progress achieved through the ADA, there is still a long way to go before we truly achieve “full participation” for people with disabilities. In 1985, the widely regarded Harris poll determined that two-thirds of working age Americans with disabilities are unemployed, the highest unemployment rate by far of any group, and much of the impediment for就业 among the disabled. A study by the Census Bureau shows that little has changed in the last 20 years. Today, only 42% of working-age men, and 34% of working-age women, with disabilities are employed.

The ADA levels the playing field, but it cannot ensure that an individual with a disability is actually able to apply for that job, or to that university. As technological advances continue to close physical gaps for people with disabilities in and out of the workplace, let us also be mindful to provide the tools needed to cross the mental gaps they may face.

Confidence and recognition of self-worth are absolutely necessary to taking those big steps toward employment, or education. To promote this, we need legislation like the Medicaid Community-Based Attendant Services and Supports Act, H.R. 910, a bill introduced by my colleague Rep. Danny Davis and which I have cosponsored. This bill would provide individuals with disabilities equal access to community-based attendant services and supports, taking many out of institutional care and placing them back into their homes, families and communities where they belong. In supportive and familiar environments, people with disabilities will be better prepared to take advantage of education and employment opportunities.

We must continue to educate the public, and inspire employers to hire qualified employees with disabilities. We must fight to broaden, not narrow, the scope of the ADA as we continually redefine the meaning of “disability.” America has become more accessible to people with disabilities. This fact rightfully deserves a 3 celebration today. However, Congress must continue to level the playing field and continue the promise to push for full, unrestricted access and participation for our disabled communities.

INTRODUCTION OF BILL DEALING WITH CLAIMS FOR RIGHTS-OF-WAY UNDER R.S. 2477

HON. MARK UDALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. UDALL of Colorado. Mr. Speaker, I am today again introducing a bill to establish a process for orderly resolution of a problem that affects private property owners and the sound management of the Federal lands.

What is involved are claims for rights-of-way under a provision of the Mining Law of 1866 that has been codified in section 2477 of the Revised Statutes, and is usually called R.S. 2477. It granted rights-of-way for the construction of highways across Federal lands not reserved for public uses. It was one of many 19th-century laws that assisted in the opening of the West for resource development and settlement.

More than a century after its enactment, R.S. 2477 was repealed by the Federal Land Policy and Management Act of 1976, often called “FLPMA,” and was replaced with a modern and comprehensive process for establishing rights-of-way on Federal lands. However, FLPMA did not revoke valid existing rights established under R.S. 2477—and, unfortunately, it also did not set a deadline for people claiming to have such rights to file their claims.

As a result, there is literally no way of knowing how many such claims might be filed or what lands might be affected—including not just Federal lands but also lands that once were Federal but now belong to other owners. But it is clear that R.S. 2477 claims could involve not only thousands of square miles of Federal lands but also many lands that now are private property or belong to the states or other entities.

This is obviously a serious problem. It also is the way things used to be used to with regard to another kind of claim on Federal lands—mining claims under the Mining Law of 1872. However, that problem was resolved by section 314 of FLPMA, which gave people 3 years to record those claims and provided that any
affected private landowners, State and local governments, and the public by establishing a deadline for filing of claims for highway rights-of-way under R.S. 2477 and providing a process for consideration and resolution of such claims.

SECTION 2

Section 2 defines key terms used in the bill.

SECTION 3

Section 3 deals with the filing of notices of claims for rights-of-way based on R.S. 2477. Subsection (a) sets a deadline of 4 years after enactment for filing notices of claims. Subsection (b) specifies the information to be included in a notice. Subsection (c) deals with the places for filing notices of claims and other aspects of filing.

SECTION 4

Section 4 addresses evidence to support claims. Subsection (a) sets a deadline of 6 years after filing a notice of a claim to submit evidence in support of the claim. Subsection (b) requires the submission of a variety of materials related to the claim, such as public records, clear and convincing evidence that when the lands acquired that status the prior construction and continuing use of the lands for highway purposes were open and notorious. Section 4 also follows the sound example of FLPMA by providing that any R.S. 2477 claim that is deemed abandoned and that any rights purported to have been acquired under R.S. 2477 related to that claim. This parallels Section 314 of FLPMA, which requires recordation of unpatented mining claims. A claimant would have 3 years to file a lawsuit challenging the effect of this provision on a claim.

SECTION 5

Section 5 addresses review of claims and determinations regarding them.

Subsection (a) requires the authorized officer to review timely-submitted evidence in order to determine whether a claim should be considered presumptively valid. Subsection (b) provides that in all cases a claimant shall have the burden of proving by clear and convincing evidence that a claim of right-of-way was validly accepted under R.S. 2477.

Subsection (c) requires the authorized officer to determine presumptively valid a claim involving private or other non-federal lands if the claimant has both met the burden of proof specified in subsection (b) and has also demonstrated by clear and convincing evidence that when the lands acquired that status the prior construction and continuing use of the lands for highway purposes were open and notorious. Section 5 also provides for notification of such a determination to the claimant.

Subsection (d) requires that the authorized officer to determine presumptively valid a claim involving tribal lands if the claimant has both met the burden of proof specified in subsection (b) and has also demonstrated by clear and convincing evidence that when the lands acquired that status the prior construction and continuing use of the lands for highway purposes were open and notorious. Section 5 also provides for notification of such a determination to the claimant.

Subsection (e) provides that if no portion of a claim involves former Federal lands, conservation lands, defense lands, or tribal lands, the authorized officer is to determine the claim presumptively valid if the claimant has met the burden of proof specified in subsection (b).

Subsection (f) provides that if the authorized officer is unable to determine presumptively valid, the claim shall be presumptively invalid, the officer will determine it invalid and that any rights purported to have been acquired under R.S. 2477 related to the claim have been relinquished and therefore no further administrative action on it is required. It also provides for notification of such a determination and specifies that such a notification constitutes a final agency action subject to judicial review.

Subsection (g) specifies the procedures to be followed if the authorized officer determines a claim is presumptively valid, provides for an opportunity for filing an objection to a determination, and specifies that if the claimant provides supplemental evidence to respond to such an objection.

Subsection (h) provides for a public hearing if the objection is filed in a determination of presumptive validity, upon the request of either a claimant or an objector.

Subsection (i) provides for review of information submitted by a claimant in support of a finding of presumptive validity and for issuance of a determination of validity or invalidity.

Subsection (j) specifies the information to be considered in determining presumptive validity and specifies that such a determination is a final agency action subject to judicial review, and
establishes a statute of limitation for initiation of such review.

SECTION 6

Section 6 includes a variety of administrative provisions:

Subsection (a) prohibits charging a fee for filing of a claim by a State, County, or local government.

Subsection (b) sets priorities for reviewing and processing claims: 1) claims filed by a State, County, or local government; 2) claims filed by non-governmental parties and involving private or other non-federal lands, conservation lands, defense lands, or tribal lands; and 3) other claims.

Subsection (c) requires that to the extent practicable, review of claims will be completed within a year after submission of evidence and requires periodic status reports on claims under review.

Subsection (d) provides—1) authorized officers reviewing claims are to seek and consider the views of affected States, counties, local governments, tribes, Federal agencies, and the public; 2) authorized officers reviewing claims are responsible for coordinating with appropriate Federal agencies; 3) authorizing officers reviewing claims involving lands also seek the views of local and consult with any affected Native Corporation.

Subsection (e) authorizes retention by the United States with respect to claims involving conservation, defense, or tribal lands or the owner of record (with respect to claims involving other lands) of exclusive possession of control of lands affected by claims held upon judicial review to be valid. The subsection specifies the United States or the owner of record shall seek to reach agreement with the claimants before exercising the authority to retain possession or control.

Subsection (f) requires filing of surveys of R.S. 2477 highway rights-of-way determined to be that failure to file such a survey within 5 years after final administrative determination of validity shall be deemed to be a relinquishment of any rights purported to have been acquired under R.S. 2477 with respect to such right-of-way; and establishes a 3-year statute of limitations to challenge any such deemed relinquishment.

Subsection (g) provides for consultation with relevant Federal agencies or tribes and requires concurrence of relevant Federal agencies before a determination of presumptive validity.

SECTION 7

Section 7 addresses the relationship between the bill and other law and prior determinations.

Subsection (a) provides that authorized officers are to apply Federal law and relevant State law to the extent that State law is consistent with Federal law.

Subsection (b) specifies that nothing in the bill will affect, change, alter, or modify Title V of FLIPMA or Title IX of the Alaska National Interest Lands Conservation Act.

Subsection (c) provides—1) except as provided in this subsection, nothing in the bill applies to or affects the status of any judicial or administrative determinations made prior to its enactment regarding any claim or assertion based on R.S. 2477; 2) any final determination regarding an R.S. 2477 claim or assertion made sooner than 4 years after the enactment of the bill must be filed with relevant offices of the Bureau of Land Management; 3) failure to file or record in accordance with paragraph (2) shall be deemed a relinquishment of any rights purported to have been acquired under R.S. 2477; and 4) a deeming of relinquishment for failure to file or record is subject to judicial review; but 5) any such judicial review must be initiated no later than 7 years after the date of enactment of the bill.

SECTION 8

Section 8 specifies that no Federal officer, agency, or court shall take any action to affirm the validity of any assertion of a property interest in a right-of-way under R.S. 2477 except with regard to a claim filed under the bill.

SECTION 9

Section 9 authorizes appropriations to implement the bill.

IN HONOR OF ROBERT HAWK

HON. DENNIS J. KUCINICH
OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of Robert Hawk—Vietnam, War Veteran, public servant and protector of the citizens of Cleveland and beyond. Mr. Hawk’s dedication and integrity throughout his career as a Special Agent with the Federal Government reflects a continuum of law enforcement excellence.

Mr. Hawk grew up in Western Pennsylvania and graduated with a Bachelor of Arts Degree from Geneva College in Beaver Falls, PA. After graduation, Mr. Hawk served in the infantry with the U.S. Army’s Cavalry Division in the capacity of Team Leader in charge of a Reconnaissance Team.

In 1978, following his exemplary service to our country, Mr. Hawk began his service with the FBI as a Special Agent. His assignments included working out of the FBI’s Cleveland and Detroit offices. For the next decade, Mr. Hawk garnered extensive experience on high-level assignments, including working in undercover capacities on narcotics and white-collar crime cases. Since 1989, Mr. Hawk has continued to serve with diligence and integrity as the Media Coordinator in the Cleveland FBI Office. In addition, Mr. Hawk is a Firearms Instructor, Defensive Tactics Instructor, and assists the Cleveland Organized Crime Squad on numerous cases.

Mr. Speaker and Colleagues, please join me in honor, gratitude and recognition of Mr. Robert Hawk, friend and fellow member within the FBI organization. His significant work continues to strengthen the vital bonds between law enforcement and the greater community, and also serves to strengthen the fabric of safety for every citizen of Cleveland and well beyond.

INTRODUCTION OF OAK PARK MEDICAL CENTER PROPERTY ACQUISITION

HON. MARK UDALL
OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 2005

Mr. UDALL of Colorado. Mr. Speaker, I am introducing a bill today that will resolve a conflict between the Department of Commerce and a property owner along the perimeter of the Department of Commerce campus in Boulder, Colorado.

In 2004, the Department of Commerce determined that a security fence needed to be constructed around the Boulder campus that houses labs for both the National Institute for Standards and Technology, NIST, and the National Oceanic and Atmospheric Administration, NOAA. In preparation for the fence the current access road would need to be rerouted. This road is also the only access to the Oak Park Medical Center, that abuts the Department of Commerce property. NIST granted an easement to the medical center to allow access to the facility through the Boulder Campus. Current plans to open a new entrance to the campus will result in the closing of access to the medical center.

Significant discussions have occurred between the Oak Park Medical Center property owner and the Department of Commerce, principally through NIST. However, no compromise has been reached to provide alternative access to the medical center. The Department of Commerce contacted the Oak Park Medical Center property owner identifying an alternative access road which is unacceptable to both the owner and the tenants of the facility. The property owner has expressed interest in selling the property to the Department of Commerce.

Unlike most government property, the Boulder Campus was purchased by the Department of Commerce, rather than the U.S. General Services Administration. As a result, my bill authorizes the Department of Commerce to purchase the land.

I have contacted the Department of Commerce urging the agency to administratively buy the property, however feel this legislation is helpful if an administrative solution is not worked out. I believe this is an equitable compromise, as the property owner is willing to sell the land, and NIST would have access to utilize the building. At the same time, plans for construction of the security fence will not need to be altered to provide access to the medical center.

I have included a letter from the property owner expressing his support for this bill as well as the purchase of his property by the Department of Commerce. I consider this a friendly condemnation and urge a speedy passage of the bill by the House of Representatives.
INTRODUCTION OF THE "PRESERVATION OF FEDERALISM IN BANKING ACT"

HON. LUIS V. GUTIERREZ
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. GUTIERREZ. Mr. Speaker, I am pleased to introduce legislation today that continues the long fight to maintain state consumer protection laws for national banks. In January 2004, the Office of the Comptroller of the Currency (OCC), the primary regulator of national banks, introduced regulations to preempt the application of state laws and the authority of state officials over their regulated entities. Since that time, other banking regulators have joined this race to the bottom. My legislation will provide much-needed clarification in this area.

Last year, USA Today, the nation’s newspaper, condemned the OCC’s preemption rules in an editorial, claiming that they threaten “strong consumer protection laws that have been the responsibility of states for more than a century.” The newspaper said the OCC rules will make “millions of consumers vulnerable” to illegal loan practices. The OCC’s Chief Counsel irreverently characterized these concerns as “greenmail.”

Over the last year, we have worked together as a broad bipartisan coalition who sees state consumer protection as a bread and butter issue, rather than “baloney.” This legislation is merely the latest step to ensure that our states have the power to protect consumers.

And to stop the OCC from eroding strong safeguards that have been used by the states for more than a century to enforce consumer protection laws.

The preemption rules were a misguided, unprecedented, unchecked expansion of its authority, especially since the states, rather than the OCC, currently have the tools and resources to effectively enforce consumer protection and other important laws. This agency has recharacterized that it is far more concerned with cajoling favor among the banks it regulates instead of fulfilling its regulatory responsibilities under the law.

Last year, I passed an amendment to the Financial Services Committees Budget Views expressing concern regarding the budgetary effects of the OCC’s preemption rules. The budget views put the Financial Services Committee on record that the OCC’s preemption rules represent an unprecedented expansion of authority, one that was instituted without congressional authorization. Subsequently, I introduced legislation to reverse the preemption rules, and then, toward the end of last Congress, Mr. FRANK and I introduced a version of what we are again introducing today.

Our bill ensures that national banks will be bound by state consumer protection laws, including predatory mortgage lending statutes. It also prohibits banks from benefitting from part of a state law while refusing to comply with a consumer-friendly portion of the same law. For example, a bank in Ohio is currently using the state law mechanism for foreseeing properties, but failing to abide by another provision in the statute, which limits fees for consumers. This legislation also allows state attorneys general to enforce laws and bring suit against banks when appropriate. As a former City Council member, I believe that the accountability of local officials is crucial. Few consumers can sort through the alphabet soup of regulators and figure out whom to contact if they have a problem with their bank. But almost every consumer knows that their attorney general is there to protect them, so we must ensure that they retain authority over banks.

I am pleased to have been joined on this legislation by Representatives FRANK, LEE and MCCARTHY as authors and urge all of my colleagues to support this effort.

15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT: MUCH ACCOMPLISHED, BUT MORE PROGRESS NEEDED

HON. JANICE D. SACHOWSKY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. SACHOWSKY. Mr. Speaker, today I rise to celebrate the 15th anniversary of the Americans with Disabilities Act. When the ADA was signed into law on July 26, 1990, it promised “equality of opportunity, economic self-sufficiency, inclusion and independence” for people with disabilities. This landmark legislation—one of the most important civil rights bills of our generation—is designed to allow the millions of disabled Americans who are disabled in the work environment, to be part of our Nation not isolated within it. The ADA says it is wrong that individuals cannot join their friends at a movie theater or restaurant or sports stadium simply because they are in a wheelchair. It is wrong that disabled individuals are not hired because employers see them as a liability. It is wrong that individuals must deal with the lack of accessibility to public buildings, transportation and services. That kind of discrimination goes against the fundamental principles of our Nation. It is those types of obstacles that the ADA has sought to eradicate. By integrating people with disabilities into the workforce and community, we have all benefited.

While there were many individuals who were instrumental in winning the passage of the ADA, I want to acknowledge and thank two leaders in the disability rights movement: Justin Dart and Marca Bristo. Justin Dart was an inspiration for all of us who care not just about disability rights but about human rights. Marca Bristo continues to lead the effort to expand opportunities and respect for persons with disabilities. I have had the personal privilege of knowing and learning from them, and like so many others, have been profoundly influenced by them.

Justin Dart was born in Chicago in 1930, contracted polio in 1946 and spent the rest of his life in a wheelchair. Although he died in 2002, his legacy lives on both through the thousands of advocates he has inspired and through the work of Yoshiko Dart and the rest of his family. He was known for his grassroots activism, touring the Nation, rallying people to support disability rights. In 1981, Mr. Dart was appointed by President Reagan to be the vice-chair of the National Council on Disability. He was instrumental on the 1990 National policy that called for national civil rights legislation to end the centuries-old discrimination against people with disabilities—what would eventually become the Americans with Disabilities Act of 1990. In 1988, he was appointed by President George H. W. Bush as a Task Force member on the Rights and Empowerment of Americans with Disabilities. Mr. Dart toured the Nation, touting the ADA as “the civil rights act of the future.”

In 1990, Justin Dart received the first pen used by former President Bush at the signing ceremony for the Americans with Disabilities Act. For the rest of his life, Justin Dart continued to work passionately to see that disabled persons were given the rights they deserve and to win “Justice for All.”

Marca Bristo is a nationally and internationally acclaimed leader in the disability rights movement. In 1977, she sustained a spinal injury in a car accident. Her new condition forced her to see life in a new way, and she has since been a passionate and tenacious advocate for disability rights. In 1980, she founded Access Living in Chicago, one of the nation’s first centers for independent living. Ms. Bristo served as the Presidentially-appointed chairwoman of the National Council on Disability from 1994 to 2002 and while heavily involved in the drafting of the ADA, has not stopped pointing out its shortcomings and improvements in it. As chairwoman of the NCD, she released a report on the ADA 5 years ago which focused specifically on implementation problems and has persistently argued that rights must be enforced in order to be real. Marca Bristo continues to work hard for disability rights and to improve the lives of people in Chicago and around the Nation.

Our Nation has come a long way in the 15 years since passage of the Americans with Disabilities Act. We have changed, we have become more inclusive, but we have not achieved our goal. The ADA has done much to break down barriers for the disabled, but we must recognize that we have far more to do to end discrimination. For 15 years now, it has been illegal for employers to discriminate against job applicants because of their disabilities. Yet, 2 of every 3 disabled persons are unemployed. It is illegal for state and local governments to deny disabled persons access to public services such as mass transit. Yet, funding constraints still leave persons with disabilities without accessible and convenient transportation options. Public and commercial buildings must be constructed and, where possible, modified to accommodate disabled persons. Yet, homes are still being built that lock disabled persons out of their communities because of the lack of home- and community-based services.

Finally, too many people are still locked out of their communities because of the lack of home- and community-based services. We need to build upon the initial success of the ADA to solve these problems. Yet, today we are defending against Social Security privatization schemes that would eliminate disability benefits for 8 million people with disabilities and against Medicaid cuts that would jeopardize health and long-term care services.
A TRIBUTE TO DR. EDMOND F. RITTER

HON. EDOLPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. TOWNS. Mr. Speaker, I rise today in recognition of a distinguished academic surgeon, Edmond F. Ritter. It is an honor to represent Dr. Ritter in the House of Representatives and to have the privilege to pay tribute to this outstanding leader in American Medicine.

Dr. Ritter received his Medical degree from Washington University in St. Louis, where he completed General Surgical Training. Dr. Ritter then underwent Plastic and Reconstructive Surgical Training at the University of California San Francisco. After completing his training, he was appointed to the faculty at Duke University Medical Center. He was later named, “The Duke Distinguished Physician,” in recognition of his contributions to the institution and patient care.

Dr. Ritter is an influential member of the medical community. As a gifted surgeon with special expertise in reconstructive microsurgery, he is able to provide skilled, state-of-the-art care to patients with difficult problems. In particular, his results for patients with cancers of the head, breast, and neck are unsurpassed.

Dr. Ritter has had an integral role in the training and mentorship of over 30 young plastic and reconstructive surgeons. Many of these aspiring surgeons have accepted academic positions and have become leaders in their communities.

Currently, Dr. Ritter is an Associate Professor at the Medical College of Georgia. In addition to making multiple contributions to the surgical literature, he is leading an investigation of Tumor and Adult Stem cell interactions in order to advance our understanding of tumor biology.

As a result, Mr. Speaker, I believe that it is incumbent upon this body to recognize the accomplishments of Dr. Edmond Ritter for sharing his talents and services to improve the medical, physical, and emotional well-being of those in need.

A TRIBUTE TO REAR ADMIRAL ANTHONY W. LENERGICH, UNITED STATES NAVY

HON. JERRY LEWIS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. LEWIS of California. Mr. Speaker, I rise today to honor Rear Admiral Anthony W. Lengerich, United States Navy, who is retiring after more than 34 years of faithful service to our Nation. A native of Redlands, California, Rear Admiral Lengerich received his commission in 1971 through a Naval Reserve Officer Training Corps scholarship at the University of Colorado, and has since served with great distinction both as a Surface Warfare Officer and an Engineering Duty Officer.

Rear Admiral Lengerich’s impressive career includes the following sea duty aboard USS GURKE (DD 783) and USS BADGER (FF 1071), and on the aft battle staffs of Commander U.S. Seventh Fleet, Commander Destroyer Squadron Thirteen, Commander Carrier Group Two and Commander Cruiser Destroyer Group Twelve. During these tours, he qualified as a Surface Warfare Officer and was designated as “Qualified for Command at Sea.” He also served as Communications Operations Officer for the eastern Atlantic and Mediterranean on the staff of the Commander in Chief, U.S. Naval Forces Europe in London.

Following his selection as an Engineering Duty Officer in 1984, Rear Admiral Lengerich served as the Platform Integration Officer for the Joint Tactical Information Distribution System on the staff of the Electronic Systems Engineering Command, Washington, DC. His next assignment included duties as Project Officer for the Command and Control Processor and Director of Force Systems Engineering within the Space and Naval Warfare Command (SPAWAR). He later served as the Division Director for Afloat Mission Planning Systems within the Command and Control Program Office on the staff of the Program Executive Officer for Cruise Missile and Unmanned Aerial Vehicles. An exceptional leader, he has commanded the Naval Electronic Systems Engineering Center, Charleston, South Carolina, and “commissioned” the Naval Command, Control and Ocean Surveillance Center, In-Service Engineering, East Coast Division, also in Charleston. He subsequently commanded the Naval Command, Control and Ocean Surveillance Center, San Diego, California, with additional duty as Corporate Operations Officers and Corporate Information Operations (IRP) SPAWAR. In 1998, Rear Admiral Lengerich was nominated by the President and confirmed by the Senate for the rank of Rear Admiral (lower half). His initial flag assignments included Director, Information Technology for NAVSEA SPAWAR, and, most recently, as the Chief of Naval Operations as Director of Industrial Capability, Maintenance Policy and Acquisition Logistics, and as Deputy Director of the Fleet Readiness Division. He was nominated and confirmed for the two-star rank of Rear Admiral in 2001.

Rear Admiral Lengerich assumed his current duties as Vice Commander, Naval Sea Systems Command in August 2002, effectively meeting the challenge of managing the daily operation of a command comprising nearly 50,000 employees and a $20 billion annual budget. His efforts have been instrumental in creating the foundation for an integrated organization with a single corporate focus that specifically aligned to NAVSEA’s mission in support of the Chief of Naval Operations, Secretary of the Navy, and Secretary of Defense initiatives. His visionary leadership and practical day-to-day approach during a period of unprecedented institutional transformation, has substantially and materially guided the execution of extremely complex acquisition, fleet maintenance and modernization programs to fulfill the needs of the Fleet today and the Navy of tomorrow.

Rear Admiral Lengerich has been indispensable in bringing the leading edges of technical thinking and management skills together to meet myriad Navy needs. A champion of sound fiscal methods, Rear Admiral Lengerich chaired a command review of major acquisition programs to identify and address shortfalls, and provided recommendations to reduce testing and evaluation costs, which were incorporated in the Department’s investment process. Organizationally, he has fostered the improved communications and enhanced teamwork needed to produce desired “bottom line” results within the command and across the Navy. His vision led to the merger of the NAVSEA Warfare Centers into a single business unit, eliminating redundancy between the NAVSEA Warfare Centers and Divisions, and the designation of Product Area Directors to ensure each Warfare Center customer received the best and most efficient combination of talent, facilities, and cost. Notably, Rear Admiral Lengerich chaired the Systems Command and Integrated to address the range of issues vital to the delivery of effective war fighting systems, and, has also chaired the Functional Naval Capabilities—Total Ownership Cost Integrated Process Team for the past six years, and led efforts which have yielded over $3 billion a year in savings, aircraft and ground vehicle maintenance cost avoidance.

Rear Admiral Lengerich has devoted significant energies to the command’s civilian and military personnel. He has shaped the command’s “roll out strategy” for transition to the National Security Personnel System and he developed the metrics to guide the command’s new Human Capital Strategy. Rear Admiral Lengerich’s Engineering Duty Officer (EDO) Community spearheaded efforts to pro-actively manage the community strategy in meeting Navy dynamic requirements. With the same focus on the future, he has been a personal mentor to the next third of the entire Navy EDO community and has worked with the Naval Postgraduate School to create a new accredited Master of Science in Systems Engineering curriculum and to create an advisory board on course curriculum critical to NAVSEA and SPAWAR.

For the past two months, Rear Admiral Lengerich has served superbly as NAVSEA’s Acting Commander, answering the call of duty as he has done many times before. He is an individual of uncommon character and total professional whose presence will be sincerely missed but whose many contributions will certainly endure. I am proud, Mr. Speaker, to thank him for his honorable service in the United States Navy, to commends him for a job “well done,” and to wish him “fair winds and following seas” as he closes his distinguished military career.
ON THE 15TH ANNIVERSARY OF THE INDIVIDUALS WITH DISABILITIES

HON. KATHERINE HARRIS OF FLORIDA IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Ms. HARRIS. Mr. Speaker, I rise today to commemorate the 15th anniversary of the Americans with Disabilities Act (ADA), which we observe this week. This landmark piece of legislation continues to make a daily difference in the lives of the American people—not only in the lives of those with disabilities, but in all of our lives.

The Americans with Disabilities Act laid the groundwork to direct our nation toward equal opportunity for all. Today, the National Council on Disability, working with its federal partners, keeps up the hard work of striving to meet that goal for our fellow citizens. I applaud her commitment and dedication.

As Florida Secretary of State, I was fortunate to have the opportunity to apply the mission of the ADA to the cause of election reform. In Florida, we worked to remove the obstacles that were preventing individuals with disabilities from participating fully in the political process. With this legislation, Florida became the first state in the Nation to enact a law to secure the voting rights of individuals with disabilities.

We have fought hard to live up to the promise of our founding and to honor the dignity of every individual, and to extend the rights, privileges, and opportunities of that promise to all our citizens. The Americans with Disabilities Act was part of a long line of landmark achievements that have expanded freedom and opportunity for our fellow citizens. Let us continue working toward the goals of this law—to remove the obstacles that prevent persons with disabilities from enjoying the full rights that too many Americans take for granted.

TRIBUTE TO LANCE ARMSTRONG

HON. RANDY NEUGEBAUER OF TEXAS IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. NEUGEBAUER. Mr. Speaker, Lance Armstrong won an unprecedented seventh Tour de France race over the weekend. His life, both on and off the race track, is a great example of hard work and perseverance. Albert Carey Casswell, a U.S. Civilian Tour Guide, who is also a prolific poet, wrote the following poem in tribute to Lance Armstrong and his accomplishments. I believe that reading this poem will provide encouragement and inspiration to my colleagues as we consider Mr. Armstrong's accomplishments.

A Real Fine Tour De Force of Life
With Heart and Soul, Body and Mind . . .
And Legs and Armstrong

This force, this presence . . . which guides us along life’s path and roads . . . Directing our being deep down within . . . this burning force, which lasts in life we follow as we go.

As emanating, from so very deep within our very souls, this voice . . . of this our chosen goal, of this our life’s Tour De Force of Life as shows!

While, riding along life’s roads, As there upon our paths as rode, embarking on this journey we call life . . . as ever onward we go . . .

To win the race of life, we all must follow a code of offices until, approaching our final nights, upon this our earth as rode.

For in the game of life, there is but one thing that bright . . . of this which makes us all contenders.

Just one difference between winning and losing . . . for it’s "The Heart" from which all great things are so rendered!

For True Champions come in all shapes and sizes . . . but, it’s what’s found within their hearts as where lies their true and golden splendor.

While, traveling through life’s country sides, As over her mountain tops we climb, as along life’s rivers which we wind . . . as by her we glide . . .

In this our most vital of quests, To Be The Best . . . as before us so lies the answer so . . . Of this great test, within our hearts inside . . .

Do we get up when we fall down? While, upon each stage in this race called life . . . do our hearts burn bright in our souls as found?

For in this our greatest of quests, To Be The Best . . . will we one day because of these our precious gifts, perhaps be so Heaven bound?

In Life . . . to go for the Gold! To cheat again, to reach down inside of yourself as your soul stretch . . . until, none is left, oh, so very bold!

To be a true Champion, To be The Best, to rewrite history and the records books while upon our life’s valiant quest . . . as Lance so Gold.

A True Great Champion . . . among just mere men.

A winner, a man of courage . . . of passion . . . of fury and heart . . . from the start . . . to the middle . . . until, the very end.

A man who knows but only one creed . . . who knows no bounds . . . to push the envelope as he is found . . . as his quest for victory never so ends!

A Real Fine Tour De Force of Life . . . A Real Tour De Force . . . as is this Tour De Lance!

A True Terminator, among his fellow athletes as a most historic creator . . . as ever onward he’ll advance . . .

For is there no mountain too steep for him to climb, no cure too sharp for him to ride in time . . . with but one thing on his mind, that Golden Chance!

With Heart and Soul . . . Body and Mind . . .

And Legs and Armstrong!

As this great American Hero, has shown to this our world, why, with his character he so belongs.

For in Sir Lancelot, we see this Valiant Knight of Courage’s Quest . . . reaching deep down into our souls, as with his tests . . . his sweet life’s song!

While, there looking into the very face of death!

Pedaling uphill, how Lance achieved the ultimate victory; the race while ‘cheating death’ . . . in his most valiant of all quests . . .

But not to lull, but to move ever forward somehow; courageously now . . . while, to this our world he’s shown his very best!

And, as Lance rides onward into history . . . My child, I bid you to learn and see . . . and glean from his life lessons, all about what’s within a heart you need!

What it takes to ‘wind’ and succeed, about hope and faith, about character and courage and dedication within great hearts within you to succeed.

In traveling down the road of life,

For in Lance, we so see A Great Fine Tour De Force of Life, to so carry with us in our hearts about God and Faith and Sacrifice!

A true celebration of the Heart and Soul of Courage and Faith . . . and it’s true fine worth in Gold, this his A Fine Tour De Force of Life!

INTRODUCTION OF A RESOLUTION CONDEMNIGN THE CUBAN REGIME’S MOST RECENT MEASURES OF EXTREME REPRESSION AGAINST MEMBERS OF CUBA’S PRO-DEMOCRACY MOVEMENT

HON. LINCOLN DIAZ-BALART OF FLORIDA IN THE HOUSE OF REPRESENTATIVES Tuesday, July 26, 2005

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to introduce a resolution condemning the Cuban dictatorship’s most recent measures of extreme repression against Cuba’s pro-democracy movement.

Following Castro’s condemnable, March 2003, crackdown against peaceful pro-democracy activists, the European Union correctly took measures against the Cuban regime. However, in January 2005, the European Union suspended these measures and resumed its policy of so-called “engagement” with the terrorist regime in Havana. This policy of appeasement includes inviting regime officials to diplomatic events and shamelessly disinviting Cuba’s brave pro-democracy activists. Unfortunately, on July 14, 2005, the Government of France invited the dictatorship’s Foreign Minister to the French Embassy in Havana for a Bastille Day celebration. And, the Government of France did not invite the heroic members of the democratic opposition to the same celebration.

To protest this cowardly policy, members of the pro-democracy opposition in Cuba sought, on July 22, to demonstrate in front of the French Embassy in a peaceful and orderly manner for the liberation of all Cuban political prisoners, and to denounce the current policy of the European Union.

In a viscous display of gangster-style repression, the Cuban regime mobilized its repressive state security apparatus to try to intimidate and harass the peaceful demonstrators. Members of the Assembly to Promote Civil Society in Cuba, who were planning a peaceful demonstration in front of the French Embassy in Havana on Friday, July 22, were the victims of hate acts (“acts of repudiation”), their homes were ransacked, and at least 20 of them were arrested. Among those arrested were the leaders of the Cuban opposition Marta Beatriz Roque, Félix Bonne Carriès and René Gómez Manzano. Mr. Gómez Manzano and other opposition members remain in prison as I speak.

This is one more example of the brutality of a dictatorship that does not allow freedom of
expression for Cubans, and instructs its thugs to assault the members of the peaceful opposition for the “crime” of seeking freedom, democracy and respect for human rights in Cuba. The world needs to respond in the strongest possible terms to this latest violation of the most elemental human rights in Cuba. This resolve underscores the latest violations of human rights by the Cuban regime, a regime of gangsters, by gangsters and for gangsters, led by a gangster in chief.

HONORING THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. EDDIE BERNICE JOHNSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise this evening not only to celebrate the 15th Anniversary of the Americans with Disabilities Act, known as the ADA, but also to acknowledge my unwavering support of the ADA and of people with disabilities.

This Act has created positive changes, large and small, for disabled people everywhere. The access ramps we see leading into buildings are examples. Water fountains and sinks are more accessible. Services for the sight and the hearing-impaired are more common. Employment discrimination is decreasing.

Another important development is that the Americans with Disabilities Act has mobilized the disabilities advocacy community. Since 1990, people with disabilities have grown into seasoned advocates. They have unified their voices and are being heard from the halls of Congress to the every city and town across America. Unity has added strength to their voice and confidence to their actions. And they are being heard, loud and clear. Every year, Congress has considered legislation affecting people with disabilities, whether it be concerning Social Security benefits, education, tax provisions, labor standards, or other issues. The Americans with Disabilities Act provided a comprehensive legislative starting point—but there is still so much more to be done.

Perhaps more than anything else, this legislation has given hope to disabled people here in Dallas and across this nation. The Americans with Disabilities Act affirmed that people with disabilities should have as many opportunities to succeed in life as any other citizen. Its message is one of equality. To the 14,589 disabled workers in Texas’ 30th District, and others across the nation, the message is: “You belong.”

HONORING THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

HON. JIM RAMSTAD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. RAMSTAD. Mr. Speaker, today marks the 15th anniversary of landmark civil rights legislation for Americans with disabilities—the passage of the Americans with Disabilities Act.

This landmark law was passed with strong bipartisan support and signed into law by President George H.W. Bush. As we mark the 15th anniversary of this historic event, we celebrate the tremendous progress and new doors that have been opened to individuals with disabilities as a result of the ADA.

The purpose of the ADA was to provide clear and comprehensive national standards to eliminate discrimination against individuals with disabilities. As a result, individuals with disabilities are now able to live in their homes and have access to new careers. Accessible buses and trains and better paratransit systems have made it possible for more people with disabilities to get to work and school, enjoy restaurants and theaters and travel.

The ADA has improved society, not only for the 14 percent of Americans over the age of five who have at least one disability. Common-sense accommodations like curb cuts and close captioning have also benefited Americans without disabilities.

On this important anniversary, we must remember that while we have come a long way in eliminating barriers, critical work remains to ensure all Americans can live up to their full potential. Tragically, we still have stereotypes and misconceptions that affect people with disabilities. Sadly, we still have examples like the boy in Pennsylvania who was the target of discrimination by his T-ball coach. This is not an isolated incident, as I have learned of another boy in Kansas who was denied the right to play T-ball like any other 7-year-old because he had cerebral palsy. Fortunately, because of the ADA, that boy was eventually allowed to play T-ball.

Giving people with disabilities the right to participate fully in society is what this landmark legislation is all about.

As co-chair of the Bipartisan Disabilities Caucus, I know that the ADA is a major achievement and much has been accomplished over the last 15 years. As we celebrate how far we’ve come, let us also recommit to creating a society in which no barrier stands in the way of fully participating in our society.

PERSONAL EXPLANATION

HON. SUE WILKINS MYRICK
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. MYRICK. Mr. Speaker, I was unable to participate in the following votes on July 22, 2005. If I had been present, I would have voted as follows:

Roll call vote 415, on agreeing to the Velázquez of New York amendment No. 4 to H.R. 3070—the National Aeronautics and Space Administration Authorization Act, I would have voted “no.”

Roll call vote 416, on passage of H.R. 3070—the National Aeronautics and Space Administration Authorization Act, I would have voted “aye.”

TRIBUTE TO JUDGE ALPHONSO CHRISTIAN

HON. DONNA M. CHRISTENSEN
OF THE VIRGIN ISLANDS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mrs. CHRISTENSEN. Mr. Speaker, the United States Virgin Islands has lost one of its outstanding success stories as prominent lawyer and Judge Alphonso Christian passed away Saturday, July 23, 2005.

With the passing of this Native son we have lost a premiere trial blazer. This outstanding Virgin Islander, born in Frederiksted, St. Croix, made substantial contributions to the Territory and in particular to the island of St. Thomas, the place he sailed to as a young man to begin his career. St. Thomas became his home, and it is where he began a flourishing and illustrious career, raising his children to be another generation of a progressive Family that is especially renowned in St. Croix for its inventiveness, hard work and diligence.

Christian, 88, died of heart failure at St. Joseph L. Schneider Hospital on St. Thomas. A jurist, attorney, government administrator, teacher and community activist, Christian had arisen from humble beginnings on St. Croix. Christian was born on August 2, 1916 to Peter and Wilhelmina Christian in Frederiksted. He had a well-disciplined upbringing and strong will to succeed during his child hood set the tone for his achievements to come.

He graduated as the Valedictorian of the Commercial Class at St. Patrick’s and started as Clerk Typist at the public school at Anna’s Hope. He later came to St. Thomas where his speed and accuracy in this position paved the way for his becoming the Stenographer to Mr. Herbert Lockhart of the A.H. Lockhart & Co., a company that was the hub of all commercial activity on St. Thomas.

He worked his way from stenographer to reporter, and served as secretary of the Virgin Islands Municipal Council, and all the while studied law by correspondence from the well-known LaSalle School. Impressed by his legal intellect, although he had never practiced law, Christian was allowed to take the bar exam without having attended law school. He passed at his first attempt with high marks and was admitted to the V.I. Bar in 1949.

Christian became involved with civic and political organizations while studying law by correspondence with the well-known LaSalle School.

His activity in politics began with his involvement in the first political party, the V.I. Progressive Guide. That position was the springboard to other positions such as Executive Secretary to the Municipal Council and the Legislative Assembly.

He was named legal aide to the Municipal Council of St. Thomas and St. John and the Legislative Assembly in 1949 and Judge of the Police Court in 1951. For the three years he served as Clerk of the Police Court, he also served as Coroner Recorder of Deeds, Chairman of the Board of Elections, United States Commissioner and Chairman of the Fourth of July Celebrations.

In 1972, he was appointed Commissioner of Public Safety of the Virgin Islands and served in the position until 1975, when he practiced law full-time. In April 1978, he was named the first Senior Sitting Judge of the Territorial...
Court of the Virgin Islands, now known as the Superior Court, and served until April 1993.

Judge Alphonso Christian has served the Territory as a businessman, teacher, Attorney, Commissioner, Jurist, community activist and philanthropist. Judge Christian started his own business by opening and teaching at his own Commercial School, which he began in his living room and later transferred to his law office.

He was also the Commissioner of Public Safety at the time when that Department also included the Fire Service and the Prison System. His extensive community involvement also included being a Charter Member of the Lions Club, Chairman of the Virgin Islands Carnival Committee for several years, serving on various community Boards, and using his legal experience and business acumen to help the Catholic Church in many areas. While serving in these many capacities, Christian also taught legal assistants at the University of the Virgin Islands.

A man of many talents and blessed with wisdom, knowledge and persistence, Alphonso Christian will be long remembered and praised for his work in all areas in which he served his beloved home, but I am certain that he counts among his greatest contributions, as do we, those which have been made and will continue to be made through his children and grandchildren.

Judge Alphonso and my father Judge Almeric Christian who preceded him in death by several years were respected colleagues and good friends. On behalf of my family, staff, and the Members of the 109th Congress of the United States of America, I extend my heartfelt condolences to Mrs. Ruth Christian, their children, Rubina. Delano, Alicia, including my dear friends Attorney Alphonso, Jr., and Dr. Cora Christian, grandchildren, sister Ann Abramson, family and friends.

May God comfort and bless you during this time of loss and may you find peace and acceptance in knowing that Judge Christian left an admirable record of achievement and a stellar example for those of us to emulate when we want to reach for the stars and the world tells us we have nothing to stand on.

His faith, persistence and hard work overcame great obstacles, and now he rests in God’s eternal peace.

INTRODUCTION OF A RESOLUTION RECOGNIZING THE CENTENNIAL OF SUSTAINED IMMIGRATION FROM THE PHILIPPINES TO THE UNITED STATES

HON. ED CASE
OF HAWAII
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 2005

Mr. CASE. Mr. Speaker, I rise today to introduce, together with 29 of my colleagues, a concurrent resolution to formally recognize the 2006 centennial of sustained Filipino immigration to the United States, acknowledge the many achievements of our Filipino-American community, and reflect on the productive and enduring relationship between the United States and the Philippines over the past century.

The Filipino-American experience and the evolving yet always close relationship between the Philippines and the United States began in earnest in 1906, when fifteen Filipino contract laborers arrived in the then-Territory of Hawaii to work on the islands’ sugar plantations. This marked the start of an emigration from the Philippines to the United States which, during the subsequent century, has numbered upwards of 60,000 a year, making Filipinos our second-largest immigrant group from the Asia-Pacific region.

The year 1906 was also when the first class of two hundred “pensionados” arrived from the Philippines to obtain a United States education with the intent of returning to the Philippines. Many, however, stayed to become American citizens, forming, with the “sakadas” who emigrated to my Hawaii, the foundation of today’s Filipino-American community.

The story of America’s Filipino-American community is little known and rarely told. Yet it is the quintessential immigrant story of early struggle, pain, sacrifice, and broken dreams, leading eventually to success in overcoming ethnic, social, economic, political, and legal barriers to win a well-deserved place in American society.

Today, 2.4 million Americans of Filipino ancestry live throughout our Nation, including the two top states: California, where 1.1 million reside, and Hawaii, my home state, where some 275,000 live (140,000 in my Second Congressional District alone, making it home to the largest number of Filipino Americans of any congressional district).

Members of this community have made great contributions to America, and have achieved success and distinction in, among other things, labor, business, politics, media and the arts, medicine, and the armed forces. Filipino Americans have also served with distinction in the armed forces of the United States throughout the long U.S.-Philippines relationship, from World Wars I and II through the Korean War, the Vietnam War, the Gulf War, and today in Afghanistan, Iraq and elsewhere.

Many Filipino Americans retained their mother country’s proud cultural traditions, which continue to enrich the diverse tapestry of today’s American experience. Many have also maintained close ties to family and friends in the Philippines, and therefore played an indispensable role in maintaining the strength and vitality of the U.S.-Philippines relationship.

That relationship has evolved over the past century from the 1898-1946 period of U.S. governance, during which the then-Commonwealth of the Philippines was represented in the U.S. Congress by thirteen resident commissioners, to the post-independence period beginning in 1946, when the Philippines took its place among the community of nations and became one of this country’s most reliable allies in the international arena.

In 2006, our Filipino-American community will join all Americans in pausing to recognize a century of achievement in the United States through a series of nationwide celebrations and memorials marking the centennial of sustained immigration from the Philippines. This centennial will provide every American of whatever ethnic heritage an opportunity to not only celebrate a century of Filipino immigration to the United States, but to celebrate, appreciate, and honor the struggles and triumphs common to the immigrant experience, which, of course, is also the American experience.
SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 28, 2005 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 7

Time to be announced

Homeland Security and Governmental Affairs

To hold hearings to examine NASA passenger aircraft.

SD-562

SEPTEMBER 20

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentation of the American Legion.

345 CHOB
**Chamber Action**

**Routine Proceedings, pages S9059–S9086**

**Measures Introduced:** Eighteen bills and four resolutions were introduced, as follows: S. 4, 1504–1520, S. Res. 215–217, and S. Con. Res. 48.  
(See next issue.)

**Measures Reported:**
- S. 172, to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, with an amendment in the nature of a substitute. (S. Rept. No. 109–110)
- S. 1418, to enhance the adoption of a nationwide interoperable health information technology system and to improve the quality and reduce the costs of health care in the United States, with an amendment in the nature of a substitute. (S. Rept. No. 109–111)  
(See next issue.)

**Measures Passed:**
- **Medical Device User Fee Stabilization Act:** Senate passed H.R. 3423, to amend the Federal Food, Drug, and Cosmetic Act with respect to medical device user fees, clearing the measure for the President.  
(See next issue.)
- **Foundation for the National Institutes of Health Improvement Act:** Senate passed S. 302, to make improvements in the Foundation for the National Institutes of Health, after agreeing to the committee amendment in the nature of a substitute.  
(See next issue.)
- **Jornada Experimental Range Transfer Act:** Committee on Agriculture, Nutrition and Forestry was discharged from further consideration of S. 447, to authorize the conveyance of certain Federal land in the State of New Mexico, and the bill was then passed.  
(See next issue.)
- **Women’s Business Center Grants:** Senate passed S. 1517, to permit Women’s Business Centers to recompete for sustainability grants.  
(See next issue.)
- **Honoring World War II Veterans:** Senate agreed to S. Res. 216, expressing gratitude and appreciation to the men and women of the United States Armed Forces who served in World War II, commending the acts of heroism displayed by those servicemembers, and recognizing the “Greatest Generation Homecoming Weekend” to be held in Pittsburgh, Pennsylvania.  
(See next issue.)
- **National Marina Day:** Senate agreed to S. Res. 217, designating August 13, 2005, as “National Marina Day”.  
(See next issue.)
- **National Historically Black Colleges Week:** Committee on the Judiciary was discharged from further consideration of S. Res. 158, expressing the sense of the Senate that the President should designate the week beginning September 11, 2005, as “National Historically Black Colleges and Universities Week”, and the resolution was then agreed to.  
(See next issue.)
- **National Airborne Day:** Committee on the Judiciary was discharged from further consideration of S. Res. 86, designating August 16, 2005, as “National Airborne Day” and the resolution was then agreed to, after agreeing to the following amendment proposed thereto:  
McConnell (for Hagel) Amendment No. 1628, to provide that the people of the United States observe “National Airborne Day” with appropriate programs, ceremonies and activities.  
(See next issue.)
- **30th Anniversary of the Helsinki Act:** Committee on Foreign Relations was discharged from further consideration of S.J.Res. 19, calling upon the President to issue a proclamation recognizing the 30th anniversary of the Helsinki Final Act, and the joint resolution was then passed.  
(See next issue.)
- **Commemorating Polish Workers Strike Anniversary:** Committee on the Judiciary was discharged
from further consideration of S. Res. 198, commemorating the 25th anniversary of the 1980 worker’s strike in Poland and the birth of the Solidarity Trade Union, the first free and independent trade union established in the Soviet-dominated countries of Europe, and the resolution was then agreed to.

(See next issue.)

_National Attention Deficit Disorder Awareness Day:_ Committee on the Judiciary was discharged from further consideration of S. Res. 201, designating September 14, 2005, as “National Attention Deficit Disorder Awareness Day”, and the resolution was then agreed to.  

(See next issue.)

_People-to-People Engagement in World Affairs:_ Committee on Foreign Relations was discharged from further consideration of S. Res.104, expressing the sense of the Senate encouraging the active engagement of Americans in world affairs and urging the Secretary of State to take the lead and coordinate with other governmental agencies and non-governmental organizations in creating an online database of international exchange programs and related opportunities, and the resolution was then agreed to, after agreeing to the following amendment proposed thereto:

McConnell (for Feingold) Amendment No. 1629, to make certain corrections to the resolution.

(See next issue.)

_Protection of Lawful Commerce in Arms Act:_ Senate began consideration of S. 397, to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others, after agreeing to the motion to proceed to consideration of the bill, and taking action on the following amendments proposed thereto:  

Pending:

- Frist (for Craig) Amendment No. 1605, to amend the exceptions.  

(See next issue.)

- Frist Amendment No. 1606 (to Amendment No. 1605), to make clear that the bill does not apply to actions commenced by the Attorney General to enforce the Gun Control Act and National Firearms Act.  

(See next issue.)

- Reed (for Kohl) Amendment No. 1626, to amend chapter 44 of title 18, United States Code, to require the provision of a child safety lock in connection with the transfer of a handgun.  

(See next issue.)

A motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on cloture will occur on Friday, July 29, 2005.  

(See next issue.)

A unanimous-consent agreement was reached providing that on Thursday, July 28, 2005, there be one hour equally divided for debate in relation to Kohl Amendment No. 1626 (listed above); that following the use or yielding back of time, Senate proceed to a vote in relation to the Kohl Amendment with no amendment in order prior to the vote.  

(See next issue.)

A unanimous-consent agreement was reached providing for further consideration of the bill at approximately 10:30 a.m. on Thursday, July 28, 2005; provided further, that Senators have until 1 p.m. to file first-degree amendments.  

(See next issue.)

_Defense Authorization—Agreement:_ A unanimous-consent agreement was reached providing that at any time determined by the Majority Leader, after consultation with the Democratic Leader, the Senate would resume consideration of S. 1042, to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces.  

(See next issue.)

_Signing Authority—Agreement:_ A unanimous-consent agreement was reached providing that during this adjournment of the Senate, the Majority Leader and Majority Whip be authorized to sign duly enrolled bills or joint resolutions.  

(See next issue.)

_Highway Extension Agreement:_ A unanimous-consent agreement was reached providing that notwithstanding the recess or adjournment of the Senate, that when the Senate receives from the House of Representatives a short-term highway extension, the bill be considered, read a third time and passed.  

(See next issue.)

_Nominations Received:_ Senate received the following Nominations:  

- Keith E. Gottfried, of California, to be General Counsel of the Department of Housing and Urban Development.  

- Alfred Hoffman, of Florida, to be Ambassador to the Republic of Portugal.  


- Bertha K. Madras, of Massachusetts, to be Deputy Director for Demand Reduction, Office of National Drug Control Policy.  

- Diane Rivers, of Arkansas, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.  

- Sandra Frances Ashworth, of Idaho, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.
Jan Cellucci, of Massachusetts, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2009.

1 Army nomination in the rank of general.

Messages From the House: (See next issue.)
Message Referred: (See next issue.)
Message Placed on Calendar: (See next issue.)
Executive Communications: (See next issue.)
Additional Cosponsors: (See next issue.)
Statements on Introduced Bills/Resolutions: (See next issue.)
Additional Statements: (See next issue.)
Amendments Submitted: (See next issue.)
Notices of Hearings/Meetings: (See next issue.)
Authority for Committees to Meet: (See next issue.)
Privilege of the Floor: (See next issue.)

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:40 p.m. until 9:30 a.m., on Thursday, July 28, 2005. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9086.)

Committee Meetings

(Committees not listed did not meet)

CONSERVATION RESERVE PROGRAM
Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Forestry, Conservation, and Rural Revitalization concluded an oversight hearing to examine the Conservation Reserve Program, the voluntary program for agricultural landowners that provides annual rental payments and cost-share assistance to establish long-term, resource-conserving covers on eligible farmland, after receiving testimony from James R. Little, Administrator, Farm Service Agency, Department of Agriculture; Dan Forster, Georgia Department of Natural Resources, Social Circle; Sherman Reese, Echo, Oregon, on behalf of the National Association of Wheat Growers; Kendell W. Keith, National Grain and Feed Association, and Krysta Harden, National Association of Conservation Districts, both on behalf of sundry groups, both of Washington, D.C.; and Jeffrey W. Nelson, Ducks Unlimited, Inc., Bismarck, North Dakota, on behalf of sundry groups.

NATIONAL ALERT SYSTEM
Committee on Commerce, Science, and Transportation: Subcommittee on Disaster Prevention and Prediction concluded a hearing to examine the need for a national all-hazards alert and public warning system, focusing on the role and activities of the Federal Government to ensure the quick and accurate dissemination of alert and warning information, after receiving testimony from Reynold N. Hoover, Director, Office of National Security Coordination, Federal Emergency Management Agency, Department of Homeland Security; Kenneth Moran, Acting Director, Office of Homeland Security, Enforcement Bureau, Federal Communications Commission; Mark Paese, Director, Maintenance, Logistics and Acquisition Division, National Weather Service, National Oceanic and Atmospheric Administration, Department of Commerce; and Christopher E. Guttman-McCabe, CTIA—The Wireless Association, Richard Taylor, ComCARE Alliance, and John M. Lawson, Association of Public Television Stations, all of Washington, D.C.

FAIR RATINGS ACT
Committee on Commerce, Science, and Transportation: Committee concluded a hearing to examine S. 1372, to provide for the accuracy of television ratings services, focusing on Nielsen's implementation of the local people meter (LMP) service, after receiving testimony from George Ivie, Media Rating Council, Inc., Susan Whiting, Nielsen Media Research, Ceril Shagrin, Univation, and Kathy Crawford, MindShare, all of New York, New York; Patrick J. Mullen, Tribune Broadcasting Company, Chicago, Illinois; and Gale Metzger, SMART Media, Cranford, New Jersey.

HYDROGEN AND FUEL CELL RESEARCH
Committee on Energy and Natural Resources: Subcommittee on Energy concluded a hearing to examine recent progress in hydrogen and fuel cell research sponsored by the Department of Energy and by private industry, including challenges to the development of these technologies, after receiving testimony from Douglas L. Faulkner, Acting Assistant Secretary of Energy for Energy Efficiency and Renewable Energy; Jeremy Bentham, Royal Dutch Shell, Amsterdam, The Netherlands; Lawrence D. Burns, General Motors Corporation, Warren, Michigan; and Dennis Campbell, Ballard Power Systems, Burnaby, British Columbia.

MEDICARE
Committee on Finance: Committee held a hearing to examine the role of value-based purchasing relating to improving quality in Medicare, focusing on the use of pay-for-performance reimbursement systems within the Medicare program, receiving testimony from Herb Kuhn, Director, Center for Medicare Management, Centers for Medicare and Medicaid Services, Department of Health and Human Services;
Mark E. Miller, Executive Director, Medicare Payment Advisory Commission; Thomas Byron Thames, AARP, and Nancy H. Nielsen, American Medical Association, both of Washington, D.C.; Leo P. Brideau, Columbia St. Mary’s, Milwaukee, Wisconsin, on behalf of the American Hospital Association; and James J. Mongan, Partners HealthCare, Boston, Massachusetts.

Hearing recessed subject to the call.

NOMINATIONS
Committee on Foreign Relations: Committee concluded a hearing to examine the Nominations of William J. Burns, of the District of Columbia, to be Ambassador to the Russian Federation, who was introduced by Senator Hagel; William Robert Timken, Jr., of Ohio, to be Ambassador to the Federal Republic of Germany, who was introduced by Senators Voinovich, DeWine, and Allen; Richard Henry Jones, of Nebraska, to be Ambassador to Israel; and Francis Joseph Ricciardone, Jr., of New Hampshire, to be Ambassador to the Arab Republic of Egypt, after the nominees testified and answered questions in their own behalf.

UNITED NATIONS PEACEKEEPING REFORM
Committee on Foreign Relations: Subcommittee on International Operations and Terrorism concluded a hearing to examine United Nations peacekeeping reform efforts, focusing on exploitation by United Nations peacekeepers of civilian populations, relating to the need for stronger oversight, investigative and disciplinary procedures, and training to prevent such abuse, after receiving testimony from Philo L. Dibble, Acting Assistant Secretary of State for International Organization Affairs.

Also, committee received a briefing on United Nations peacekeeping efforts from H.R.H. Prince Zeid Ra’ad Zeid Al-Hussein, Permanent Representative of the Hashemite, Kingdom of Jordan, and Jane Holl Lute, Assistant Secretary General, Peacekeeping Operations, both of the United Nations.

CHEMICAL FACILITIES SECURITY
Committee on Homeland Security and Governmental Affairs: Committee held a hearing to determine whether the Federal government is doing enough to secure chemical facilities, focusing on security operations relating to marine transportation, the fertilizer industry, and the industrial sector, receiving testimony from Rear Admiral Craig E. Bone, Director of Port Security, Maritime Safety, Security, and Environmental Protection Directorate, U.S. Coast Guard, Department of Homeland Security; Robert A. Full, Allegheny County Department of Emergency Services, Pittsburgh, Pennsylvania; Beth Turner, E.I. du-Pont de Nemours and Company, Inc., Wilmington, Delaware; Jim L. Schellhorn, Terra Industries, Inc., Washington, D.C., on behalf of The Fertilizer Institute; and John P. Chamberlain, Shell Oil Company, Houston, Texas, on behalf of the American Petroleum Institute.

SECURITIES AND EXCHANGE COMMISSION

INDIAN GAMING
Committee on Indian Affairs: Committee concluded an oversight to examine lands eligible for gaming pursuant to the Indian Gaming Regulatory Act, after receiving testimony from Senators Voinovich and Vitter; George T. Skibine, Acting Deputy Assistant Secretary of the Interior for Policy and Economic Development for Indian Affairs; Penny J. Coleman, Acting General Counsel, National Indian Gaming Commission; Walter Gray, Guidiville Band of Pomo Indians, Talmage, California; Christine Norris, The Jena Band of Choctaw Indians, Jena, Louisiana; John R. Barnett, Cowlitz Indian Tribe, Longview, Washington; and Charles D. Enyart, Eastern Shawnee Tribe of Oklahoma, Seneca, Missouri.

FBI OVERSIGHT
Committee on the Judiciary: Committee concluded an oversight hearing to examine the Federal Bureau of Investigation, focusing on the creation of an intelligence service within the Federal Bureau of Investigation, specifically impacting the language program, information technology capabilities, and ability to recruit, hire, train, and retain expertise, after receiving testimony from former Representative Lee Hamilton, on behalf of the National Commission on Terrorist Attacks Upon the United States; Robert S. Mueller, III, Director, Federal Bureau of Investigation, and Glenn A. Fine, Inspector General, both of the Department of Justice; William H. Webster, Milbank, Tweed, Hadley, and McCloy, LLP, former Director, Federal Bureau of Investigation, and John A. Russack, Information Sharing Environment, both of Washington, D.C.
INTELLIGENCE
Select Committee on Intelligence: Committee met in closed session to receive a briefing on certain intelligence matters from officials of the intelligence community.

ELDERLY VICTIMIZATION
Special Committee on Aging: Committee concluded a hearing to examine the victimization of the elderly through scams, focusing on internet fraud, prize and sweepstakes fraud, health-related fraud, identity theft, and consumer education, after receiving testimony from Lois C. Greisman, Associate Director, Division of Planning and Information, Federal Trade Commission; Zane M. Hill, Acting Assistant Chief Inspector, U.S. Postal Inspection Service; Anthony R. Pratkanis, University of California at Santa Cruz; Denise C. Park, University of Illinois Beckman Institute, Urbana-Champaign; Helen Marks Dicks, Coalition of Wisconsin Aging Groups, Madison; and Vicki Hersen, Elders in Action, Portland, Oregon.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 45 public bills, H.R. 3449–3493; 2 private bills, H.R. 3494–3495; and 7 resolutions, H. Con. Res. 219–223; and H. Res. 391, 397 were introduced.

(See next issue.)

Additional Cosponsors: (See next issue.)

Reports Filed: Reports were filed today as follows:

Conference Report on H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy (H. Rept. 109–190);

H.R. 1132, to provide for the establishment of a controlled substance monitoring program in each State, amended (H. Rept. 109–191);

H.R. 3204, to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools, amended (H. Rept. 109–192);

H. Con. Res. 208, recognizing the 50th anniversary of Rosa Louise Parks' refusal to give up her seat on the bus and the subsequent desegregation of American society (H. Rept. 109–193);

H. Res. 336, requesting that the President focus appropriate attention on neighborhood crime prevention and community policing, and coordinate certain Federal efforts to participate in "National Night Out", which occurs the first Tuesday of August each year, including by supporting local efforts and community watch groups and by supporting local officials, to promote community safety and help provide homeland security (H. Rept. 109–194);

H. Con. Res. 216, expressing the sense of the Congress that, as Congress observes the 40th anniversary of the Voting Rights Act of 1965 and encourages all Americans to do the same, it will advance the legacy of the Voting Rights Act of 1965 by ensuring the continued effectiveness of the Act to protect the voting rights of all Americans (H. Rept. 109–195);

H. Res. 378, recognizing and honoring the 15th anniversary of the signing of the Americans with Disabilities Act of 1990 (H. Rept. 109–196, Pt. 1);

H.R. 3205, amending title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely affect patient safety, amended (H. Rept. 109–197);

H. Res. 392, waiving points of order against the conference report to accompany the bill (H.R. 2361) making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006 (H. Rept. 109–198);

H. Res. 393, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (H. Rept. 109–199);

H. Res. 394, waiving points of order against consideration of the conference report to accompany the bill (H.R. 6) to ensure jobs for our future with secure, affordable, and reliable energy (H. Rept. 109–200);

H. Res. 395, providing for consideration of motions to suspend the rules (H. Rept. 109–201); and

H. Res. 396, waiving points of order against the conference report to accompany the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006 (H. Rept. 109–202).

Speaker: Read a letter from the Speaker wherein he appointed Representative Bonilla to act as speaker pro tempore for today.

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Chaplain: The prayer was offered today by Rev. Lawrence Hargrave, Colgate Rochester Crozer Divinity School in Rochester, New York.

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United States Trade Rights Enforcement Act: The House passed H.R. 3283, to enhance resources to enforce United States trade rights, by a yea-and-nay vote of 255 yeas to 168 nays, Roll No. 457.

Rejected the Cardin motion to recommit the bill to the Committee on Ways and Means with instructions to report the same back to the House forthwith with an amendment, by a yea-and-nay vote of 195 yeas to 232 nays, Roll No. 436.

Pursuant to the rule, the amendment in the nature of a substitute printed in H. Rept. 109–187, was adopted.

H. Res. 587, the rule providing for consideration of the bill was agreed to by a recorded vote of 228 ayes to 200 noes, Roll No. 433, after agreeing to order the previous question by a yea-and-nay vote of 226 yeas to 202 nays, Roll No. 432.

Suspensions: The House agreed to suspend the rules and pass the following measures:

State High Risk Pool Funding Extension Act of 2005: H.R. 3204, amended, to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools;

Controlled Substances Export Reform Act of 2005: S. 1395, to amend the Controlled Substances Import and Export Act to provide authority for the Attorney General to authorize the export of controlled substances from the United States to another country for subsequent export from that country to a second country, if certain conditions and safeguards are satisfied;—clearing the measure for the President;

Patient Safety and Quality Improvement Act of 2005: S. 544, to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely affect patient safety, by a 2/3 yea-and-nay vote of 428 yeas to 3 nays, Roll No. 434;— clearing the measure for the President;

Amending the Controlled Substances Act with regard to patient limitations on prescribing drug addiction treatments: S. 45, to amend the Controlled Substances Act to lift the patient limitation on prescribing drug addiction treatments by medical practitioners in group practices, by a 2/3 yea-and-nay vote of 429 yeas with none voting “nay”, Roll No. 435;—clearing the measure for the President;

National All Schedules Prescription Electronic Reporting Act of 2005: H.R. 1132, amended, to provide for the establishment of a controlled substance monitoring program in each State;

Encouraging the Transnational Assembly of Iraq to adopt a constitution that grants women equal rights: H. Res. 383, encouraging the Transnational National Assembly of Iraq to adopt a constitution that grants women equal rights under the law and to work to protect such rights, by a 2/3 yea-and-nay vote of 426 yeas with none voting “nay”, Roll No. 438;

Condemning the terrorist attacks in Sharm el-Sheik, Egypt on July 23, 2005: H. Res. 384, condemning in the strongest terms the terrorist attacks in Sharm el-Sheikh, Egypt, on July 23, 2005, by a 2/3 yea-and-nay vote of 428 yeas with none voting “nay”, Roll No. 439;


Help Efficient, Accessible, Low-Cost, Timely Healthcare (HEALTH) Act of 2005—Rule for Consideration: The House agreed to H. Res. 385, the rule providing for consideration of H.R. 5, to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system, by a recorded vote of 226 ayes to 200 noes with one voting “present”, Roll No. 441, after agreeing to order the previous question by a yea-and-nay vote of 226 yeas to 200 nays with 1 voting “present”, Roll No. 440.

Dominican Republic-Central American-United States Free Trade Agreement Implementation Act: The House passed H.R. 3045, to implement the Dominican Republic-Central America-United States Free Trade Agreement, by a recorded vote of 217 ayes to 215 noes, Roll No. 443.

H. Res. 386, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 227 yeas to 201 nays, Roll No. 442.

Surface Transportation Extension Act: The House passed H.R. 3453, to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.
National Committee on Vital and Health Statistics—Reappointment: The Chair announces the Speaker's reappointment of Mr. Jeffrey S. Blair of Albuquerque, New Mexico to the National Committee on Vital and Health Statistics. (See next issue.)

Senate Messages: Messages received from the Senate today will appear in the next issue.

Senate Referrals: S. 264, S. 1480, S. 243, S. 1481, S. 1482, S. 203, S. 1484, S. 1485, S. 178, S. 207, S. 229, S. 231, S. 232, S. 253, S. 276, S. 54, S. 128, S. 152, S. 182, S. 205, S. 214, S. 301, S. 47, S. 52, S. 56, S. 97, S. 101, S. 153, S. 212, S. 252, and S. 279 were referred to the Committee on Resources; S. 706 was referred to the Committee on Transportation and Infrastructure; S. 1483 was referred to the Committee on Education and the Workforce; S. 176, S. 285, and S. 244 were referred to the Committee on Energy and Commerce; S. 442 was referred to the Committee on the Judiciary; S. 225 was referred to the Committees on Resources, Agriculture and Government Reform; S. 263 was referred to the Committees on Resources and Agriculture; S. 136 was referred to the Committees on Resources and Education and the Workforce; and S. 272, S. 55, S. 156, and S. 161, were held at the desk. (See next issue.)

Quorum Calls—Votes: 10 yea-and-nay votes and 3 recorded votes developed during the proceedings of today will appear in the next issue. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 12:15 a.m.

Committee Meetings

MISCELLANEOUS MEASURES
Committee on Agriculture: Ordered favorably reported the following bills: H.R. 3421, To reauthorize the United States Grain Standards Act, to facilitate the official inspection at export locations of grain required or authorized to be inspected under such Act; and H.R. 3408, To reauthorize the Livestock Mandatory Reporting Act of 1999 and to amend the swine reporting provisions of that Act.

CHINESE MILITARY POWER
Committee on Armed Services: Held a hearing on Chinese military power. Testimony was heard from Franklin Kramer, former Assistant Secretary, International Security Affairs, Department of Defense; and public witnesses.

TERRORISM INSURANCE FUTURE
Committee on Financial Services: Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing on the Future of Terrorism Insurance. Testimony was heard from Howard Mills, Superintendent, New York Insurance Department; Lawrence H. Mirel, Commissioner, Department of Insurance and Securities, District of Columbia; and public witnesses.

BRAC AND BEYOND
Committee on Government Reform: Held a hearing entitled “BRAC and Beyond: An Examination of the Rationale Behind Federal Security Standards for Leased Space.” Testimony was heard from Representative Moran of Virginia; Dwight M. Williams, Chief Security Officer, Department of Homeland Security; F. Joseph Moravec, Commissioner, Public Buildings Service, GSA; John Jester; and the following officials of the Department of Defense: John Jester, Director, Pentagon Force Protection Agency; and Get Moy, Director, Installation Requirements and Management.

HYDROGEN ECONOMY
Committee on Government Reform: Subcommittee on Energy and Resources held a hearing entitled “The Hydrogen Economy: Is it Attainable? When?” Testimony was heard from Douglas L. Faulkner, Acting Secretary, Energy Efficiency and Renewable Energy, Department of Energy; Richard M. Russell, Associate Director, Technology, Office of Science and Technology Policy; Alan Lloyd, Secretary, Environmental Protection Agency, State of California; and public witnesses.

IMPROVE HEALTHCARE USING INFORMATION TECHNOLOGY
Committee on Government Reform: Subcommittee on Federal Workforce and Agency Organization held a hearing entitled “Is There a Doctor in the Mouse?: Using Information Technology to Improve Healthcare.” Testimony was heard from Representative Kennedy of Rhode Island; Linda M. Springer, Director, OPM; the following officials of the Department of Health and Human Services: David Brailer, M.D., National Health Information Technology Coordinator; and Caroline Clancy, M.D., Director, Agency for Health Care Research and Quality; and public witnesses.

DHS IN TRANSITION
Committee on Government Reform: Subcommittee on Government Management, Finance, and Accountability held a hearing entitled “DHS in Transition—Are Financial Management Problems Hindering Mission Effectiveness?” Testimony was heard from the following officials of the Department of Homeland Security: Janet Hale, Under Secretary, Management; Andrew Maner, Chief Financial Officer; and Richard Skinner, Acting Inspector General; and Linda
Combs, Controller, Office of Federal Financial Management, OMB.

REGULATORY REFORM

Committee on Government Reform: Subcommittee on Regulatory Affairs held a hearing entitled “Regulatory Reform: Are Regulations Hindering Our Competitiveness?” Testimony was heard from Representatives Hayworth, Kelly, Ney, Miller of Michigan, Lynch and Westmoreland; J. Christopher Mihm, Managing Director, Strategic Issues, GAO; Curtis W. Copeland, Specialist in American National Government, CRS, Library of Congress; and public witnesses.

BORDER SECURITY SYSTEM'S INTEGRITY—FEDERAL-STATE PARTNERSHIPS

Committee on Homeland Security: Subcommittee on Management, Integration, and Oversight held a hearing entitled “The 287(g) Program: Ensuring the Integrity of America’s Border Security System through Federal-State Partnerships.” Testimony was heard from Paul M. Kilcoyne, Deputy Assistant Director, Office of Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security; Mark F. Dubina, Special Agent Supervisor, Tampa Bay Regional Operations Center, Department of Law Enforcement, State of Florida; Charles E. Andrews, Chief, Administrative Division, Department of Public Safety, State of Alabama; and public witnesses.

UKRAINE

Committee on International Relations: Subcommittee on Europe and Emerging Threats held a hearing on Ukraine: Developments in the Aftermath of the Orange Revolution. Testimony was heard from Daniel Fried, Assistant Secretary, Bureau for European and Eurasian Affairs, Department of State; and public witnesses.

ENERGY SECURITY—TERRORIST THREATS

Committee on International Relations: Subcommittee on International Terrorism and Nonproliferation held a hearing on Terrorist Threats to Energy Security. Testimony was heard from public witnesses.

SYRIA AND THE UN OIL-FOR-FOOD PROGRAM

Committee on International Relations: Subcommittee on Oversight and Investigation and the Subcommittee on the Middle East and Central Asia held a joint hearing on Syria and the United Nations Oil-for-Food Program. Testimony was heard from Elizabeth L. Dibble, Deputy Assistant Secretary, Bureau of Near Eastern Affairs, Department of State; Dwight Sparlin, Director, Operations, Policy, and Support, Criminal Investigation Division, IRS, Department of the Treasury; and a public witness.

U.S. DIPLOMACY IN LATIN AMERICA

Committee on International Relations: Subcommittee on Western Hemisphere held a hearing on U.S. Diplomacy in Latin America. Testimony was heard from the following officials of the Department of State: Roger Noriega, Assistant Secretary, Bureau of Western Hemisphere Affairs, Department of State; John Maisto, U.S. Representative on the Council of the OAS, Department of State; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered favorably reported the following measures: H.R. 3132, Children's Safety Act of 2005; H.R. 3402, Department of Justice Appropriations Authorization Act, Fiscal Years 2006 through 2009; H. Res. 356, Requesting that the President focus appropriate attention on neighborhood crime prevention and community policing, and coordinate certain Federal efforts to participate in “National Night Out,” which occurs the first Tuesday of August each year, including by supporting local efforts and community watch groups and by supporting local officials, to promote community safety and help provide homeland security; H. Res. 378, Recognizing and honoring the 15th anniversary of the signing of the Americans with Disabilities Act of 1990; H. Con. Res. 216, Expressing the sense of the Congress that, as Congress observes the 40th anniversary of the Voting Rights Act of 1965 and encourages all Americans to do the same, it will advance the legacy of the Voting Rights Act of 1965 by ensuring the continued effectiveness of the Act to protect the voting rights of all Americans; and H. Con. Res. 208, Recognizing the 50th anniversary of Rosa Louise Parks' refusal to give up her seat on the bus and the subsequent desegregation of American society.

CONFERENCE REPORT—ENERGY POLICY ACT OF 2005

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 6, Energy Policy Act of 2005, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Chairman Barton of Texas and Representative Dingell.
CONFERENCE REPORT—INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 2361, making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Representatives Taylor of North Carolina and Dicks.

CONFERENCE REPORT—LEGISLATIVE BRANCH APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 2985, making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Chairman Lewis of California.

INTERNATIONAL MULTI-YEAR BUDGETING COMPARATIVE STUDY

Committee on Rules: Subcommittee on Legislative and Budget Process held a hearing on A Comparative Study of International Multi-Year Budgeting. Testimony was heard from Barry Anderson, former Deputy Director, CBO; and public witnesses.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Committee on Rules: Granted, by voice vote, a rule providing that suspensions will be in order at any time on the legislative day of Thursday, July 28, 2005. The rule provides that the Speaker or his designee shall consult with the Minority Leader or her designee on any suspension considered under the rule.

SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE RULES COMMITTEE

Committee on Rules: Granted, by voice vote, a rule waiving clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee. The rule applies the waiver to any special rule reported on the legislative day of July 28, 2005, providing for consideration or disposition of a conference report to accompany the bill (H.R. 3) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.

SBA'S VENTURE CAPITAL PROGRAM

Committee on Small Business: Held a hearing on the importance of amending the Small Business Investment Act of 1958 to establish a participating debenture program to assist small businesses in gaining access to much needed capital. Testimony was heard from Jaime A. Guzman-Fournier, Associate Administrator, Investment, SBA; and a public witness.

BIOTECHNOLOGY INDUSTRY IMPORTANCE

Committee on Small Business: Subcommittee on Rural Enterprises, Agriculture and Technology, hearing entitled “The Importance of the Biotechnology Industry and Venture Capital Support in Innovation.” Testimony was heard from public witnesses.

OVERSIGHT—POST TRAUMATIC STRESS DISORDER

Committee on Veterans' Affairs: Held an oversight hearing on the Department of Defense and the Department of Veterans Affairs: The Continuum of Care for Post Traumatic Stress Disorder. Testimony was heard from the following officials of the Department of Defense: COL Charles W. Hoge, M.D., Chief of Psychiatry and Behavior Sciences, Division of Neurosciences, Walter Reed Army Institute of Research; LTC Charles C. Engle, Jr., M.D., Chief, DoD Deployment Health Clinical Center, Walter Reed Army Medical Center, both with the U.S. Army; and Michael E. Kilpatrick, M.D. Deputy Under Secretary, Health, Veterans Health Administration; and Mark Shelhorse, M.D., Deputy Chief Patient Care Services Officer for Mental Health and Chief Medical Officer for VISN 6; representatives of veterans organizations; and public witnesses.

VETERANS MEASURES


VETERANS LEGISLATION

Committee on Veterans’s Affairs: Subcommittee on Economic Opportunity held a hearing on the following:
H.R. 3082, Veteran-Owned Small Business Promotion Act of 2005; H.R. 1773, Native American Veteran Home Loan Act; a measure to Establish an Office of Disabled Veterans Sports and Special Events; a measure to require the Veterans' Employment and Training Service to Establish Qualification Standards for Disabled Veteran Outreach Specialists and Local Veteran Employment Representatives; a measure to increase the Disabled Veteran Adaptive Housing Grant; and a measure to Provide for a Disabled Veteran Transitional Housing Grant. Testimony was heard from Delegate Faleomavaega; John M. McWilliam, Deputy Assistant Secretary, Operations and Management, Veterans' Employment and Training Service, Department of Labor; Keith Pedigo, Director, Loan Guaranty Service, Veterans Benefits Administration, Department of Veterans Affairs; and representatives of veterans organizations.

HEALTH CARE INFORMATION TECHNOLOGY
Committee on Ways and Means: Subcommittee on Health held a hearing on Health Care Information Technology (IT). Testimony was heard from David Brailer, M.D., National Coordinator, Health Information Technology, Department of Health and Human Services; and public witnesses.

GLOBAL MISSILE THREATS
Permanent Select Committee on Intelligence: Subcommittee on Technical and Tactical Intelligence met in executive session to hold a hearing on Global Missile Threats. Testimony was heard from departmental witnesses.

NEW PUBLIC LAWS
(For last listing of Public Laws, see DAILY DIGEST, p. D 807)

H.R. 3071, to permit the individuals currently serving as Executive Director, Deputy Executive Directors, and General Counsel of the Office of Compliance to serve one additional term. Signed on July 27, 2005. (Public Law 109–38)

COMMITTEE MEETINGS FOR THURSDAY, JULY 28, 2005
(Committee meetings are open unless otherwise indicated)

Senate
Committee on Armed Services: to hold hearings to examine the nominations of Lieutenant General Norton A. Schwartz, USAF, for appointment to the grade of general and to be Commander, U.S. Transportation Command, Ronald M. Sega, of Colorado, to be Under Secretary of the Air Force, Phillip Jackson Bell, of Georgia, to be Deputy Under Secretary for Logistics and Materiel Readiness, and John G. Grimes, of Virginia, to be Assistant Secretary for Networks and Information Integration, both of the Department of Defense, Keith E. Eastin, of Texas, to be Assistant Secretary of the Army for Installations and Environment, and William Anderson, of Connecticut, to be Assistant Secretary of the Air Force for Installations, Environment and Logistics, 9:30 a.m., SD–106.

Committee on Banking, Housing, and Urban Affairs: business meeting to mark up the nominations of Christopher Cox, of California, Roel C. Campos, of Texas, to be a Member of the Securities and Exchange Commission, and Annette L. Nazareth, of the District of Columbia, each to be a Member of the Securities and Exchange Commission, John C. Dugan, of Maryland, to be Comptroller of the Currency, and John M. Reich, of Virginia, to be Director of the Office of Thrift Supervision, both of the Department of the Treasury, Martin J. Gruenberg, of Maryland, to be Member and Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, S. 705, to establish the Interagency Council on Meeting the Housing and Service Needs of Seniors, H.R. 804, to exclude from consideration as income certain payments under the national flood insurance program, S. 1047, to require the Secretary of the Treasury to mint coins in commemoration of each of the Nation's past Presidents and their spouses, respectively to improve circulation of the $1 coin, to create a new bullion coin, and S. 190, to address the regulation of secondary mortgage market enterprises, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: business meeting to consider S. 1408, to strengthen data protection and safeguards, require data breach notification, and further prevent identity theft, 10 a.m., SR–253.

Full Committee, to hold hearings to examine issues related to MGM v. Grokster and the appropriate balance between copyright protection and communications technology innovation, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: Subcommittee on National Parks, to hold hearings to examine S. 584 and H.R. 432, bills to require the Secretary of the Interior to allow the continued occupancy and use of certain land and improvements within Rocky Mountain National Park, S. 652, to provide financial assistance for the rehabilitation of the Benjamin Franklin National Memorial in Philadelphia, Pennsylvania, and the development of an exhibit to commemorate the 300th anniversary of the birth of Benjamin Franklin, S. 958, to amend the National Trails System Act to designate the Star-Spangled Banner Trail in the States of Maryland and Virginia and the District of Columbia as a National Historic Trail, S. 1154, to extend the Acadia National Park Advisory Commission, to provide improved visitor services at the park, S. 1166, to extend the authorization of the Kalaupapa National Historical Park Advisory Commission, and S. 1346, to direct the Secretary of the Interior to conduct a study of maritime sites in the State of Michigan, 10 a.m., SD–366.

Committee on Indian Affairs: to hold oversight hearings to examine the implementation of the Native American Graves Protection and Repatriation Act (P.L. 101–601), 9:30 a.m., SR–485.
Committee on the Judiciary: business meeting to consider S. 1088, to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, S. 103, to respond to the illegal production, distribution, and use of methamphetamine in the United States, proposed Personal Data Privacy and Security Act of 2005, S. 751, to require Federal agencies, and persons engaged in interstate commerce, in possession of data containing personal information, to disclose any unauthorized acquisition of such information, S. 1326, to require agencies and persons in possession of computerized data containing sensitive personal information, to disclose security breaches where such breach poses a significant risk of identity theft, S. 155, to increase and enhance law enforcement resources committed to investigation and prosecution of violent gang crimes, to deter and punish violent gang crime, to protect law-abiding citizens and communities from violent criminals, to revise and enhance criminal penalties for violent crimes, to reform and facilitate prosecution of juvenile gang members who commit violent crimes, to expand and improve gang prevention programs, S. 1086, to improve the national program to register and monitor individuals who commit crimes against children or sex offenses, S. 956, to amend title 18, United States Code, to provide assured punishment for violent crimes against children, S. 1197, to reauthorize the Violence Against Women Act of 1994, and certain committee matters, 9:30 a.m., SD–226.

Committee on Veterans’ Affairs: business meeting to consider the nominations of James Philip Terry, of Virginia, to be Chairman of the Board of Veterans’ Appeals, and Charles S. Ciccolella, of Virginia, to be Assistant Secretary of Labor for Veterans’ Employment and Training, both of the Department of Veterans’ Affairs, and S. 1182, to amend title 38, United States Code, to improve health care for veterans, S. 716, to amend title 38, United States Code, to enhance services provided by vet centers, to clarify and improve the provision of bereavement counseling by the Department of Veterans Affairs, S. 1234, to increase, effective as of December 1, 2005, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and S. 1235, to amend chapters 19 and 37 of title 38, United States Code, to extend the availability of $400,000 in coverage under the servicemembers’ life insurance and veterans’ group life insurance programs, 9:30 a.m., SR–418.

House
Committee on Armed Services, Subcommittee on Terrorism, Unconventional Threats and Capabilities and the Subcommittee on Oversight and Investigations of the Committee on Financial Services, joint hearing on the financing of the Iraqi insurgency, 2 p.m., 2118 Rayburn.
Committee on Government Reform, hearing entitled “Keeping Metro on Track: The Federal Government’s Role in Balancing Investment with Accountability at Washington’s Transit Agency,” 10 a.m., 2154 Rayburn.
Subcommittee on Prevention of Nuclear and Biological Attack, hearing entitled “Implementing the National Biodefense Strategy,” 2 p.m., 1309 Longworth.
Committee on House Administration, hearing on Accessibility of the House Complex for Persons with Special Needs, 10 a.m., 1310 Longworth.
Committee on International Relations, hearing on Lebanon Reborn? Defining National Priorities and Prospects for Democratic Renewal in the Wake of March 14, 2005, 10:30 a.m., 2172 Rayburn.
Subcommittee on Africa, Global Human Rights and International Operations, hearing on China’s Influence in Africa, 2:30 p.m., 2172 Rayburn.
Committee on Resources, Subcommittee on Energy and Minerals, oversight hearing on Sustainable Development Opportunities in Mining Communities, Part II, 10 a.m., 1334 Longworth.
Subcommittee on Water and Power, oversight hearing on Implementation of the Westside Regional Drainage Plan as a Way to Improve San Joaquin River Water Quality, 2 p.m., 1324 Longworth.
Committee on Ways and Means, Subcommittee on Select Revenue Measures, hearing on Member Proposals for Tax Reform, 10 a.m., 1100 Longworth.
Permanent Select Committee on Intelligence, executive, Briefing on Global Updates, 9 a.m., H–405 Capitol.
Subcommittee on Oversight, hearing on DNI Status, 10 a.m., H–140 Capitol.

Joint Meetings
Joint Economic Committee: to hold hearings to examine alternative automotive technologies and energy efficiency, 10 a.m., 2226 RHOB.
Next Meeting of the SENATE
9:30 a.m., Thursday, July 28

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 60 minutes), Senate will continue consideration of S. 397, Protection of Lawful Commerce in Arms Act and vote on, or in relation to, Kohl Amendment No. 1626, after one hour for debate.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, July 28

House Chamber

Program for Thursday: To be announced.

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