Whereas Father Flanagan’s legacy, Boys Town, is a beacon of hope to thousands of young people across the Nation; and

Whereas in 2006 nearly 450,000 children and families found help through the Boys Town National Hotline, including 34,000 calls from youth where hotline staff intervened to save a life or provide therapeutic counseling, and nearly 1,000,000 more children were assisted through outreach and training programs; and

Whereas Boys Town continues to find new ways of hearing and hope to more children and families; and

Whereas new programs at Boys Town seek to increase the number of children assisted and build the research and expertise to bear down on the problems facing our Nation’s children; and

Whereas Boys Town’s mission is to change the way America cares for children and families by providing and promoting a continuum of care that strengthens them in mind, body, and spirit: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its heartfelt congratulations to the Boys Town family on the historic occasion of its 90th anniversary; and

(2) extends its thanks to the extraordinary Boys Town community for its important work with our Nation’s children and families.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3832. Mr. NELSON, of Nebraska submitted an amendment intended to be proposed by him to the bill S. 543, to improve Medicare beneficiary access by extending the 60 percent compliance threshold used to determine whether a hospital or unit of a hospital is an inpatient rehabilitation facility under the Medicare program; which was ordered to lie on the table.

SA 3832. Mr. HARKIN proposed an amendment to the amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra, which was ordered to lie on the table.

SA 3833. Mr. HARKIN proposed an amendment to the amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra, which was ordered to lie on the table.

SA 3839. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra, which was ordered to lie on the table.

SA 3840. Mr. ENZI (for himself and Mr. ISAKSON) submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra, which was ordered to lie on the table.

SA 3838. Mr. HARKIN proposed an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra, which was ordered to lie on the table.

SA 3841. Mr. ENZI proposed an amendment to amendment SA 3841 proposed by Mr. Reid to the bill H.R. 6, supra.

SA 3842. Mr. REID proposed an amendment to the bill S. 3500, to improve Medicare beneficiary access by extending the 60 percent compliance threshold used to determine whether a hospital or unit of a hospital is an inpatient rehabilitation facility under the Medicare program; which was ordered to lie on the table.

SA 3843. Mr. FEINGOLD (for himself and Mr. MENENDEZ) submitted an amendment to the amendment SA 3841 proposed by Mr. Reid to the bill H.R. 6, supra.

SA 3844. Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) proposed an amendment to the amendment SA 3841 proposed by Mr. Reid to the bill H.R. 6, supra.

SA 3845. Mr. HARKIN (for himself and Mr. DURBIN) proposed an amendment to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table.

SA 3846. Mr. HARKIN (for himself, Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill S. 2271, to authorize State and local governments to divest assets in certain Sudanese business operations and transactions in Sudan, to prohibit United States Government contracts with such companies, and for other purposes;

SA 3847. Mr. HARKIN (for Mr. BAUCUS (for himself and Mr. GRASSLEY)) proposed an amendment to the bill H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes;
"(3) resolve issues relating to the duty to bargain in good faith;
"(4) conduct hearings and resolve complaints of unfair labor practices;
"(5) resolve exceptions to the awards of arbitrators;
"(6) protect the right of each employee to form, join, or assist any labor organization, or to refrain from any such activity, and the right of each employee to refrain from payment of any fees to any labor organization, freely and without fear of penalty or reprimand, and protect each employee in the exercise of such right; and"

SA 3834. Mrs. DOLE (for herself, Mr. GRASSLEY, and Mr. LUGAR) submitted an amendment intended to be proposed to amendment SA 3630 submitted by Mrs. DOLE and intended to be proposed to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. 2A. MILEAGE REIMBURSEMENTS TO CHARITABLE VOLUNTEERS.

(a) In General.—Subsection (d) of section 170(c) (relating to special rule for certain contributions of inventory and other property) is amended by inserting after clause (ii) the following new clause:

"(iii) Reimbursement for use of passenger automobile for charitable purposes; and"

(b) Effective Date.—The amendments made by this section shall apply to tax years beginning after the date of the enactment of this Act.

SEC. 139B. Reimbursement for use of passenger automobile for charitable purposes.

(a) Technical Amendment Related to Section 1203 of the Pension Protection Act of 2006.—Subsection (d) of section 139B is amended by adding at the end the following new paragraph:

"(4) Application of Limitation on Charitable Contributions.—In the case of any charitable contributions described in the second sentence of subsection (d)(2) and applied, paragraph (1) shall not apply to the extent that such reimbursement over;

(b) Effective Date.—The amendments made by this section shall take effect as if included in the provisions of the Pension Protection Act of 2006 to which it relates.

SA 3835. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 2 of the amendment, add the following:

(5) Public safety officers frequently endanger their own health and safety, and the health and safety of the Nation and the best interests of public security are furthered when employees are assured that their collective bargaining representatives have been selected in a free, fair and democratic manner.

(7) An employee whose wages are subject to compulsory assessment for any purpose not related to collective bargaining or to the welfare of the general public, or other employment action that is unlawful under Federal law, may not be discriminated against; and

SA 3836. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 2 of the amendment, add the following:

(b) Application to Volunteer Services Only.—Subsection (a) shall not apply with respect to any expenses relating to the performance of services for compensation.

(c) No Double Benefit.—No deduction or credit shall be allowed under any other provision of this title with respect to the expenses excludable from gross income under subsection (a)."

(b) Clerical Amendment.—The table of sections of chapter 1 of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 139A and inserting the following new item:

"Sec. 139B. Reimbursement for use of passenger automobile for charitable purposes; and"

(c) Effective Date.—The amendments made by this section shall apply to tax years beginning after the date of the enactment of this Act.

SEC. 139B. Adjustment to Stock of S Corporations Making Charitable Contributions.

(a) Technical Amendment Related to Section 1203 of the Pension Protection Act of 2006.—Subsection (d) of section 139B is amended by adding at the end the following new paragraph:

"(4) Application of Limitation on Charitable Contributions.—In the case of any charitable contributions described in the second sentence of subsection (d)(2) and applied, paragraph (1) shall not apply to the extent that such reimbursement over;

(b) Effective Date.—The amendments made by this section shall take effect as if included in the provisions of the Pension Protection Act of 2006 to which it relates.

SEC. 2A. Public Safety Protections.

(a) In General.—A State law described in section 4A(a) of this subtitle shall—

(1) provide that no labor organization may serve, or continue to serve, as the representative of any unit of public safety officers if—

(A) any of the labor organization's officers or agents are convicted of—

(i) a felony; or

(ii) a misdemeanor related to the organization's representational responsibilities; or

(B) the organization's officers, agents, or employees, encourage, participate, or fail to take all steps necessary to prevent any unlawful work stoppage or disruption by any public safety officers represented by such labor organization; and

(2)(A) provide any political subdivision or individual with the right to bring a civil action in Federal court against any public safety officer that engages in a strike, slowdown, or other employment action that is unlawful under Federal or State law contrary to the provisions of a collective bargaining agreement or a contract or memorandum of understanding described in section 4A(b)(2) of this title; and

(B) provide that, in any civil action described in subparagraph (A), a public safety
employer may receive damages relating to the strike, slowdown, or other employment action described in subparagraph (A), and that joint and several liability shall apply.

(b) Prohibiting Certain Labor Actions.—Notwithstanding the Act entitled “An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, to provide for other purposes”, approved March 23, 1932 (commonly known as the “NorrIs-LaGuardia Act”), or any other provision of law, no Federal law that restricts the issuance of injunctions or restraining orders in labor disputes shall apply to labor disputes involving public safety officers covered under this subtitle.

(c) Application Notwithstanding any other provision of law, the provisions of this section shall apply to all States.

SA 3837. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GR Gregg) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 8 of the amendment, insert the following:

SEC. 8A. GUARANTEEING PUBLIC SAFETY AND LOCAL CONTROL OF TAXES.

Notwithstanding any State law or regulation issued under section 5 of this subtitle, no collective-bargaining obligation may be imposed on any political subdivision or any public employer, and no contract provision may be imposed on any political subdivision or public safety employer, if either the principal administrative officer of such public safety employer, or the chief elected official of such political subdivision certifies that the obligation, or any provision would be contrary to the best interests of public safety; or would result in any increase in local taxes, or would result in any decrease in the level of public safety or other municipal services.

SA 3838. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GR Gregg) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

In section 8(b) of the amendment, insert before paragraph (1) the following and redesignate accordingly:

(A) EXEMPTION.—Notwithstanding any other provision of this subtitle, a governor or the legislative body of a State, or a mayor or other chief elected official or authority or the legislative body of a political subdivision, may exempt from the requirements established under this subtitle or otherwise group of public safety officers whose job function is similar to the job function performed by any group of Federal employees that is excluded from collective bargaining under this Act.

(B) TREATMENT OF CERTAIN EMPLOYERS.—Notwithstanding any provision of State law, supervisory, managerial, and confidential employees employed by public safety employers shall be treated in the same manner for purposes of collective-bargaining as individuals employed in the same capacity by any employer covered under the provisions of the National Labor Relations Act (29 U.S.C. 151 et seq.).

SA 3839. Mr. ENZI (for himself and Mr. ISAKSON) submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GR Gregg) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 6 of the amendment, insert the following:

SEC. 6. STRIKES AND LOCKOUTS PROHIBITED.

Notwithstanding any rights or responsibilities provided under State law or pursuant to any regulations issued under this section 5 of this subtitle, a labor organization may not call, encourage, condone, or fail to take all actions necessary to prevent or end, and a public safety employee may not engage in any job action or concerted, full or partial refusal to work against any public sector employer. A public safety employer may not engage in a lockout of public safety officers.

SA 3840. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GR Gregg) to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 8 of the amendment, insert the following:

SEC. 8A. NONAPPLICATION OF PROVISIONS.

Notwithstanding any State law or regulation issued under section 5 of this subtitle, the rights and responsibilities set forth in section 4(b) of this subtitle shall not apply to any political subdivision of any State having a population of less than 75,000, or that employs fewer than 150 uniformed public safety officers.

SA 3841. Mr. REID proposed an amendment to the bill H.R. 6, to move the United States toward greater energy independence and security, to include the production of clean renewable fuels, to protect consumers from price gouging, to increase the energy efficiency of products, buildings, and vehicles, to promote research on and deploy greenhouse gas capture and storage options, and to improve the energy performance of the Federal Government, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Energy Independence and Security Act of 2007”.

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Definitions.
Sec. 3. Relationship to other law.

TITLE I—ENERGY SECURITY THROUGH IMPROVED VEHICLE FUELS ECONOMY
Subtitle A—Increased Corporate Average Fuel Economy Standards
Sec. 101. Short title.
Sec. 102. Average fuel economy standards for automobiles and certain other vehicles.
Sec. 103. Definitions.
Sec. 104. Credit trading program.
Sec. 105. Consumer Information.
Sec. 106. Continued applicability of existing standards.
Sec. 108. National Academy of Sciences study of medium-duty and heavy-duty truck fuel economy.
Sec. 109. Extension of flexible fuel vehicle credit program.
Sec. 110. Periodic review of accuracy of fuel economy labeling procedures.
Sec. 111. Consumer tire information.
Sec. 112. Use of civil penalties for research and development.
Sec. 113. Exemption from separate calculation requirement.

Subtitle B—Improved Vehicle Technology
Sec. 131. Transportation electrification.
Sec. 132. Domestic manufacturing conversion grant program.
Sec. 134. Loan guarantees for fuel-efficient automobile parts manufacturers.
Sec. 135. Advanced battery loan guarantee program.
Sec. 136. Advanced technology vehicles manufacturing incentive program.

Subtitle C—Federal Vehicle Fleets
Sec. 141. Federal vehicle fleets.
Sec. 142. Federal fleet conservation requirements.

TITLE II—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS
Subtitle A—Renewable Fuel Standard
Sec. 201. Definitions.
Sec. 203. Study of impact of Renewable Fuel Standard.
Sec. 204. Environmental and resource conservation impacts.
Sec. 205. Biomass based diesel and biodiesel labeling.
Sec. 206. Study of credits for use of renewable electricity in electric vehicles.
Sec. 207. Grants for production of advanced biofuels.
Sec. 208. Integrated consideration of water quality in determinations on fuels and fuel additives.
Sec. 209. Anti-backsliding.

Subtitle B—Biofuels Research and Development
Sec. 221. Biodiesel.
Sec. 222. Biogas.
Sec. 223. Grants for biofuel production re-
search and development in cer-
tain States.
Sec. 224. Biorefinery energy efficiency.
Sec. 225. Study of optimization of flexible fuels vehicles to use E-85 fuel.
Sec. 226. Study of engine durability and performance associated with the use of biodiesel.
Sec. 227. Study of optimization of biogas used in natural gas vehicles.
Sec. 228. Algal biomass.
Sec. 229. Biofuels and biorefinery information center.
Sec. 230. Cellulosic ethanol and biofuels research.
Sec. 231. Bioenergy research and development, authorization of appro-
priation.
Sec. 232. Environmental research and develop-
ment.
Sec. 233. Bioenergy research centers.
Sec. 234. University based research and de-
velopment grant program.
Subtitle C—Biofuels Infrastructure
Sec. 241. Prohibition on franchise agreement restrictions related to renew-
able fuel infrastructure.
Sec. 242. Renewable fuel dispenser requirements.
Sec. 243. Ethanol pipeline feasibility study.
Sec. 244. Renewable fuel infrastructure grants.
Sec. 245. Study of the adequacy of transpor-
tation of domestically-produced renewable fuel by railroads and other modes of transportation.
Sec. 246. Federal fleet fueling centers.
Sec. 247. Standard specifications for bio-
diesel.
Sec. 248. Biofuels distribution and advanced biofuels infrastructure.
Subtitle D—Environmental Safeguards
Sec. 251. Waiver for fuel or fuel additives.

TITLE III—ENERGY SAVINGS THROUGH IMPROVED STANDARDS FOR APPLI-
ANCE AND LIGHTING
Subtitle A—Appliance Energy Efficiency
Sec. 301. External power supply efficiency standards.
Sec. 302. Updating appliance test procedures.
Sec. 303. Residential boilers.
Sec. 304. Furnace energy standard process.
Sec. 305. Improving schedule for standards updating and clarifying State authority.
Sec. 306. Regional standards for furnaces, central air conditioners, and heat pumps.
Sec. 307. Procedure for prescribing new or amended standards.
Sec. 308. Expedited rulemakings.
Sec. 309. Battery chargers.
Sec. 310. Standby mode.
Sec. 311. Energy standards for home appli-
cances.
Sec. 312. Walk-in coolers and walk-in freez-
ers.
Sec. 313. Electric motor efficiency stand-
ards.
Sec. 314. Standards for single package vertical air conditioners and heat pumps.
Sec. 315. Improved energy efficiency for ap-
piances and buildings in cold climates.
Sec. 316. Technical corrections.
Subtitle B—Lighting Energy Efficiency
Sec. 321. Efficient light bulbs.
Sec. 322. Incandescent reflector lamp effi-
ciency standards.
Sec. 323. Public building energy efficient and renewable energy systems.
Sec. 324. Metal halide lamp fixtures.
Sec. 325. Energy efficiency labeling for con-
sumer electronic products.

TITLE IV—ENERGY SAVINGS IN BUILDINGS AND INDUSTRY
Sec. 401. Definitions.
Subtitle A—Residential Building Efficiency
Sec. 411. Reauthorization of weatherization assistance program.
Sec. 412. Study of renewable energy rebate programs.
Sec. 413. Energy code improvements applicable to manufactured housing.
Subtitle B—High-Performance Commercial Buildings
Sec. 421. Commercial high-performance green buildings.
Sec. 423. Public outreach.
Subtitle C—High-Performance Federal buildings
Sec. 431. Energy reduction goals for Federal buildings.
Sec. 432. Management of energy and water efficiency in Federal buildings.
Sec. 433. Federal building energy efficiency performance standards.
Sec. 434. Management of Federal building ef-
ciency.
Sec. 435. Leasing.
Sec. 437. Federal green building performance.
Sec. 438. Storm water runoff requirements for Federal development projects.
Sec. 439. Cost-effective technology acceleration program.
Sec. 440. Authorization of appropriations.
Sec. 441. Public building lifecycle costs.
Subtitle D—Industrial Energy Efficiency
Sec. 451. Industrial energy efficiency.
Sec. 452. Energy-intensive industries pro-
gram.
Sec. 453. Energy efficiency for data center buildings.
Subtitle E—Healthy High-Performance Schools
Sec. 461. Healthy high-performance schools.
Sec. 462. Study on indoor environmental quality in schools.
Sec. 463. Institutional Entities.
Sec. 464. Energy sustainability and effi-
ciency grants and loans for in-
stitutions.
Subtitle F—Public and Assisted Housing
Sec. 481. Application of International Energy Conservation Code to public and assisted housing.
Subtitle H—General Provisions
Sec. 491. Demonstration project.
Sec. 492. Research and development.
Sec. 493. Environmental Protection Agency demonstration grant program for local governments.
Sec. 494. Green Building Advisory Com-
mittee.
Sec. 495. Advisory Committee on Energy Ef-
ciency Finance.

TITLE V—ENERGY SAVINGS IN GOVERN-
MENT AND PUBLIC INSTITUTIONS
Subtitle A—United States Capitol Complex
Sec. 501. Capitol complex photovoltaic roof feasibility studies.
Sec. 502. Capitol complex E-85 refueling sta-
tions.
Sec. 503. Energy and environmental meas-
ures in Capitol complex master plan.
Sec. 504. Promoting maximum efficiency in operation of Capitol power plant.
Sec. 505. Capitol power plant carbon dioxide emissions feasibility study and demonstration projects.
Subtitle B—Energy Savings Performance Contracting
Sec. 511. Authority to enter into contracts; reports.
Sec. 512. Financing flexibility.
Sec. 513. Promoting long-term energy savings performance contracts and verifying savings.
Sec. 514. Permanent reauthorization.
Sec. 515. Definition of energy savings.
Sec. 516. Retention of savings.
Sec. 517. Training Federal contracting offi-
cers to negotiate energy effi-
ciency contracts.
Sec. 518. Study of energy and cost savings in nonbuilding applications.
Subtitle C—Energy Efficiency in Federal Agencies
Sec. 521. Installation of photovoltaic system at Department of Energy head-
quarters building.
Sec. 522. Prohibition on incandescent lamps by Coast Guard.
Sec. 523. Standard requirement for solar hot water heaters.
Sec. 524. Federally-procured appliances with standby power.
Sec. 525. Federal procurement of energy effi-
cient products.
Sec. 526. Procurement and acquisition of al-
ternative fuels.
Sec. 527. Government efficiency status re-
ports.
Sec. 528. OMB government efficiency reports process.
Sec. 529. Electricity sector demand re-
sponse.
Subtitle D—Energy Efficiency of Public
Sec. 531. Reauthorization of State energy programs.
Sec. 532. Utility energy efficiency programs.
Subtitle E—Energy Efficiency and Conservation Block Grants
Sec. 541. Definitions.
Sec. 542. Energy Efficiency and Conser-
vation Block Grant Program.
Sec. 543. Allocation of funds.
Sec. 544. Use of funds.
Sec. 545. Requirements for eligible entities.
Sec. 546. Competitive grants.
Sec. 547. Review and evaluation.
Sec. 548. Funding.

TITLE VI—ACCELERATED RESEARCH AND DEVELOPMENT
Subtitle A—Solar Energy
Sec. 601. Short title.
Sec. 602. Thermal energy storage research and development program.
Sec. 603. Concentrating solar power com-
ercial application studies.
Sec. 604. Solar energy curriculum develop-
ment and certification grants.
Sec. 605. Daylighting systems and direct solar light pipe technology.
Sec. 606. Solar Air Conditioning Research and Development Program.
Sec. 607. Photovoltaic demonstration pro-
gram.
Subtitle B—Geothermal Energy
Sec. 611. Short title.
Sec. 612. Definitions.
Sec. 613. Hydrothermal research and devel-
opment.
Sec. 614. General geothermal systems re-
search and development.
Sec. 615. Enhanced geothermal systems re-
search and development.
Sec. 616. Geothermal energy production from oil and gas fields and re-
covery and production of geopressured gas resources.
Sec. 1510. Extension of temporary increase in coal excise tax.
Sec. 1511. Carbon audit of the tax code.

Subtitle B—Transportation and Domestic Fuel Security

Part I—Biofuels
Sec. 1521. Credit for production of cellulosic biomass alcohol.
Sec. 1522. Expansion of special allowance to cellulosic biomass alcohol fuel plant property.
Sec. 1523. Modification of alcohol credit.
Sec. 1524. Extension and modification of credits for biodiesel and renewable diesel.
Sec. 1525. Clarification of eligibility for renewable diesel credit.
Sec. 1526. Provisions clarifying treatment of fuels with no nexus to the United States.
Sec. 1527. Comprehensive study of biofuels.

Part II—Advanced Technology Motor Vehicles
Sec. 1528. Credit for new qualified plug-in electric drive motor vehicles.
Sec. 1529. Exclusion from heavy truck tax for idling reduction units and advanced insulation.

Part III—Other Transportation Provisions
Sec. 1530. Restructuring of New York Liberty Zone tax credits.
Sec. 1531. Extension of transportation fringe benefits credit for bicycle commuters.
Sec. 1532. Extension and modification of election to expense certain re-finers.

Subtitle C—Energy Conservation and Efficiency

Part I—Conservation Tax Credit Bonds
Sec. 1541. Qualified energy conservation bonds.

Part II—Efficiency
Sec. 1542. Qualified forestry conservation bonds.

Sec. 1543. Extension and modification of energy efficient existing homes credit.
Sec. 1544. Extension and modification of energy efficient commercial buildings deduction.
Sec. 1545. Modernization of energy efficient appliance credit for appliances produced after 2007.
Sec. 1546. Seven-year applicable recovery period for depreciation of qualified energy management devices.

Subtitle D—Other Provisions

Part I—Forestry Provisions
Sec. 1551. Deduction for qualified timber gain.
Sec. 1552. Excise tax not applicable to section 1233 deduction of real estate investment trusts.
Sec. 1553. Timber REIT modernization.
Sec. 1554. Mineral royalty income qualifying interest for timber REITs.
Sec. 1555. Modification of taxable REIT subsidiary asset test for timber REITs.
Sec. 1556. Safe harbor for timber property.

Part II—Exxon Valdez
Sec. 1557. Income averaging for amounts received in connection with the Exxon Valdez litigation.

Part III—Electric Transmission Facilities
Sec. 1558. Tax-exempt financing of certain electric transmission facilities.

Subtitle E—Revenue Provisions
Sec. 1561. Denial of deduction for major integrated oil companies for income attributable to domestic production of oil, gas, or primary products thereof.
Sec. 1562. Elimination of the different treatment of foreign oil and gas extraction income and foreign oil related income for purposes of the tax code.
Sec. 1563. Seven-year amortization of geological and geophysical expenditures for certain major integrated oil companies.
Sec. 1564. Broker reporting of customer’s basis in securities transactions.
Sec. 1565. Extension of additional 0.2 percent PUTF surtax.
Sec. 1566. Repeal of suspension of certain penalties and interest.
Sec. 1567. Tax treatment for payment of corporate estimated taxes.
Sec. 1568. Modification of penalty for failure to file partnership returns.
Sec. 1569. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

Subtitle F—Secure Rural Schools
Sec. 1571. Secure rural schools and community self-determination program.

Title XVI—Effective Date
Sec. 1601. Effective date.

Sec. 2 Definitions
In this Act:
(1) DEPARTMENT.—The term “Department” means the Department of Energy.
(2) INSTITUTION OF HIGHER EDUCATION.—The term “Institution of Higher Education” means the term “Institution of Higher Education” as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).
(3) SECRETARY.—The term “Secretary” means the Secretary of Energy.

Sec. 3 Relationship to Other Law.
Except to the extent expressly provided in this Act, any amendment made by this Act, anything in this Act or an amendment made by this Act supersedes, the authority provided or responsibility conferred by, or authorizes any violation of any provision of law (including a regulation), including any energy or environmental law or regulation.

Title I—Energy Security through Improved Vehicle Fuel Economy

Subtitle A—Increased Corporate Average Fuel Economy Standards
Sec. 101. Short Title.
This subtitle may be cited as the “Ten-in-Ten Fuel Economy Act.”
Sec. 102. Average Fuel Economy Standards for Automobiles and Certain Other Vehicles.
(a) Increased Standards.—Section 32902 of title 49, United States Code, is amended—
(1) in subsection (a)—
(A) by striking “NON-PASSENGER AUTOMOBILES.” and inserting “Prescription of Standards by Regulation.”;—
(B) by striking “(except passenger automobiles)” in subsection (a); and
(C) by striking “2.5 miles per gallon” and inserting “2.5 miles per gallon”;
(b) Standards for Automobiles and Certain Other Vehicles.—
(1) in general.—The Secretary of Transportation, after consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall prescribe separate average fuel economy standards for—
(A) passenger automobiles manufactured by manufacturers in each model year beginning with model year 2011 in accordance with this subsection;
(B) non-pasenger automobiles manufactured by manufacturers in each model year beginning with model year 2011 in accordance with this subsection;
(2) commercial medium-duty or heavy-duty on-highway vehicles in accordance with subsection (l); and
(3) certain small off-highway engines in accordance with subsection (g).
(2) Fuel Economy Standards for Automobiles.—
(A) Automatic Fuel Economy Average for Model Years 2011 through 2016.—The Secretary shall prescribe a separate average fuel economy standard for passenger automobiles and a separate average fuel economy standard for non-passenger automobiles for each model year beginning with model year 2011 to achieve a combined fuel economy average for model year 2020 of at least 27.5 miles per gallon for the total fleet of passenger and non-passenger automobiles manufactured for sale in the United States for that model year.
(B) Automobile Fuel Economy Average for Model Years 2021 through 2026.—For model years 2021 through 2026, the average fuel economy required to be attained by each fleet of passenger and non-passenger automobiles manufactured for sale in the United States shall be the maximum feasible average fuel economy standard for each fleet for that model year.
(3) Progress toward standard required.—In prescribing average fuel economy standards under subparagraph (a), the Secretary shall prescribe annual fuel economy standard increases that increase the applicable average fuel economy standard rationally beginning with model year 2011 and ending with model year 2020.
(4) Minimum Standard.—In addition to any standard prescribed pursuant to paragraph (3), each manufacturer shall also meet the minimum standard for domestically manufactured passenger automobiles, which shall be the greater of—
(A) 27.5 miles per gallon; or
(B) 22 percent of the average fuel economy projected by the Secretary for the combined domestic and non-domestic passenger automobile fleets manufactured for sale in the United States by all manufacturers in the model year, which projection shall be published in the Federal Register when the standard for that model year is promulgated in accordance with this section.; and
(5) In general.—Not later than 1 year after the date of the enactment of the Ten-in-Ten Fuel Economy Act, the Secretary of Transportation, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall examine the fuel efficiency of work trucks and determine—
(A) the appropriate test procedures and methodologies for measuring the fuel efficiency of work trucks;
(B) the appropriate metric for measuring and expressing work truck fuel efficiency performance, taking into consideration,
among other things, the work performed by work trucks and types of operation in which they are used; (C) the range of factors, including, without limitation, design, functionality, use, duty cycle, infrastructure, and total overall energy consumption and operating costs that affect work truck fuel efficiency; and “(D) other factors and conditions that could have an impact on a program to improve work truck fuel efficiency.

(2) RULEMAKING.—Not later than 24 months after completion of the study required under paragraph (1), the Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, may by rule prescribe standards for medium- and heavy-duty on-highway vehicles that are consistent with the fuel economy standards prescribed under section 32902, to achieve the maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(3) LEAD-TIME; REGULATORY STABILITY.—The first commercial medium- and heavy-duty on-highway vehicle fuel economy regulatory program adopted pursuant to this subsection shall provide at least—

(A) 3 years of regulatory lead-time; and

(B) 3 full model years of regulatory stability.

SEC. 106. DEFINITIONS.

(a) IN GENERAL.—Section 32901(a) of title 49, United States Code, is amended—

(1) by striking paragraph (3) and inserting the following:

“(3) as provided in section 32908 of this title, ‘automobile’ means a 4-wheeled vehicle that is propelled by fuel, or by alternative fuel, manufactured primarily for use on public streets, roads, and highways and rated at less than 10,000 pounds gross vehicle weight, except—

(1) a vehicle operated only on a rail line;

(2) a vehicle manufactured in different stages by 2 or more manufacturers, if no intermediate or final-stage manufacturer of that vehicle transports more than 10,000 multi-stage vehicles per year; or

(3) a work truck.”;

(2) by redesigning paragraphs (7) through (16) of section 32901 as redesignated, respectively;

(3) by inserting after paragraph (6) the following:

“(7) commercial vehicle—(A) the appropriate test procedures and methodologies for measuring the fuel efficiency of such vehicles;

(B) the appropriate metric for measuring and expressing commercial medium- and heavy-duty on-highway vehicle fuel efficiency performance, taking into consideration, among other things, the work performed by such on-highway vehicles and types of operation in which they are used;

(C) the range of factors, including, without limitation, design, functionality, use, duty cycle, infrastructure, and total overall energy consumption and operating costs that affect commercial medium- and heavy-duty on-highway vehicle fuel efficiency; and

(D) other factors and conditions that could have an impact on a program to improve commercial medium- and heavy-duty on-highway vehicle fuel efficiency.

(2) RULEMAKING.—Not later than 24 months after completion of the study required under paragraph (1), the Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, may by rule prescribe standards for medium- and heavy-duty on-highway vehicle fuel efficiency improvement program designed to achieve the maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for commercial medium- and heavy-duty on-highway vehicles. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(3) LEAD-TIME; REGULATORY STABILITY.—The first commercial medium- and heavy-duty on-highway vehicle fuel economy regulatory program adopted pursuant to this subsection shall provide at least—

(A) 4 full model years of regulatory lead-time; and

(B) 3 full model years of regulatory stability.”

(b) FUEL ECONOMY STANDARD FOR COMMERCIAL MEDIUM-DUTY AND HEAVY-DUTY ON-HIGHWAY VEHICLES.—

(1) STUDY.—Not later than 1 year after the National Academy of Sciences publishes the results of its study under section 108 of the Ten-in-Ten Fuel Economy Act, the Secretary of Transportation, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall examine the fuel efficiency of commercial medium- and heavy-duty on-highway vehicles and determine—

(A) the appropriate test procedures and methodologies for measuring the fuel efficiency of such vehicles;

(B) the appropriate metric for measuring and expressing commercial medium- and heavy-duty on-highway vehicle fuel efficiency performance, taking into consideration, among other things, the work performed by such on-highway vehicles and types of operation in which they are used;

(C) the range of factors, including, without limitation, design, functionality, use, duty cycle, infrastructure, and total overall energy consumption and operating costs that affect commercial medium- and heavy-duty on-highway vehicle fuel efficiency; and

(D) other factors and conditions that could have an impact on a program to improve commercial medium- and heavy-duty on-highway vehicle fuel efficiency and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks.

(2) RULEMAKING.—Not later than 24 months after completion of the study required under paragraph (1), the Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, by regulation, shall determine in a rulemaking proceeding how to implement a commercial medium- and heavy-duty on-highway vehicle fuel economy regulatory program designed to achieve the maximum feasible improvement, and shall adopt and implement appropriate test methods, measurement metrics, fuel economy standards, and compliance and enforcement protocols that are appropriate, cost-effective, and technologically feasible for work trucks. Any fuel economy standard prescribed under this section shall be prescribed at least 18 months before the model year to which it applies. The Secretary may prescribe separate standards for different classes of vehicles under this subsection.

(3) LEAD-TIME; REGULATORY STABILITY.—The first commercial medium- and heavy-duty on-highway vehicle fuel economy regulatory program adopted pursuant to this subsection shall provide at least—

(A) 3 years of regulatory lead-time; and

(B) 3 full model years of regulatory stability.

SEC. 104. CREDIT TRADING PROGRAM.

(a) IN GENERAL.—Section 32903 of title 49, United States Code, is amended—

(1) by striking section 32902(b)-(d) of this title, each place it appears and inserting “ subsections (a) through (d) of section 32902;”;

(2) in subsection (a)(2)—

(A) by striking “3 consecutive model years” and inserting “6 consecutive model years”;

(B) by striking “clause (1) of this subsection,” and inserting “paragraph (1)”; and

(C) by redesigning subsection (b) as subsection (a)(2); and

(3) by inserting after subsection (a)(2) the following:

“(a) CREDIT TRADING AMONG MANUFACTURERS.—

(1) IN GENERAL.—The Secretary of Transportation may establish, by regulation, a fuel economy credit trading program to allow manufacturers whose automobiles exceed the average fuel economy standards prescribed under section 32902 to earn credits to sell to manufacturers whose automobiles fail to achieve the prescribed standards such that the total oil savings associated with manufacturers that exceed the prescribed standards are preserved when trading credits to manufacturers that fail to achieve the prescribed standards.

(2) LIMITATION.—The transfer of credits by a manufacturer to another manufacturer is not allowed unless the automobile manufacturer has automobiles manufactured domestically that fail to achieve the prescribed standards.

(3) YEARS FOR WHICH USED.—Credits transferred under this subsection are available to be used in the same model year that the manufacturer could have applied such credits.

(4) LIMITATION.—Credits transferred under this subsection are not available to be used in the model year in which the manufacturer earned such credits.

(5) MAXIMUM INCREASE.—The maximum increase in any compliance category attributable to transferred credits is—

(A) for model years 2011 through 2013, 1.0 mile per gallon;

(B) for model years 2014 through 2017, 1.5 miles per gallon; and

(C) for model year 2018 and subsequent model years, 2.0 miles per gallon.

(6) LIMITATION.—The transfer of credits by a manufacturer to the category of passenger automobiles manufactured domestically is limited to the extent that the fuel economy level of such automobiles shall comply with the requirements of section 32902(b)(4), without regard to any transfer of credits from other categories of automobiles described in paragraph (4)(B).

(7) AVAILABLE.—A credit may be transferred under this subsection only if it is earned after model year 2016.

(2) CREDIT TRANSFERRING WITHIN A MANUFACTURER.—

(A) FLEET.—The term ‘fleet’ means all automobiles manufactured by a manufacturer in a particular model year.

(B) COMPLIANCE CATEGORY OF AUTOMOBILES.—The term ‘compliance category of automobiles’ means any of the following 3 categories of automobiles for which compliance is separately calculated under this chapter:

(i) Passenger automobiles manufactured domestically;

(ii) Passenger automobiles not manufactured domestically;

(iii) Non-passenger automobiles.”.

(b) CONFORMING AMENDMENTS.—Section 32904(h) of title 49, United States Code, is amended—

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

(2) in paragraph (2), by striking the period at the end and inserting “; and”;

(3) by adding at the end the following:

“(B) may not transfer credits from the prescribed standards.”

This Act may not transfer credits from the prescribed standards.”
(2) SEPARATE CALCULATIONS.—Section 32904(b)(1)(B) is amended by striking “chapter,” and inserting “chapter, except for the purposes of section 32930.”

SEC. 106. CONTINUED APPLICABILITY OF EXISTING STANDARDS.

Nothing in this subtitle, or the amendments made by this subtitle, shall be construed to affect the application of section 32802 of title 49, United States Code, to passenger automobiles manufactured before model year 2011.

SEC. 107. NATIONAL ACADEMY OF SCIENCES STUDIES.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Transportation shall execute an agreement with the National Academy of Sciences to develop a report evaluating vehicle fuel economy standards, including—

(1) an assessment of automotive technologies and costs to reflect developments since the Academy’s 2002 report evaluating the corporate average fuel economy standards was conducted;

(2) an analysis of existing and potential technologies that may be used practically to improve automobile and medium-duty and heavy-duty truck fuel economy;

(3) an analysis of how such technologies may be practically integrated into the automobile and medium-duty and heavy-duty truck manufacturing process; and

(4) an assessment of how such technologies may be used to meet the new fuel economy standards under chapter 329 of title 49, United States Code, as amended by this subtitle.

(b) REPORT.—The Academy shall submit the report to the Secretary, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Energy and Commerce of the House of Representatives, with its findings and recommendations not later than 5 years after the date on which the Secretary executes the agreement with the Academy.

(c) QUIESCENT UPDATES.—After submitting the initial report, the Academy shall update the report at 5 year intervals thereafter through 2025.

SEC. 108. NATIONAL ACADEMY OF SCIENCES STUDY OF MEDIUM-DUTY AND HEAVY-DUTY TRUCK FUEL ECONOMY.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Transportation shall execute an agreement with the National Academy of Sciences to develop a report evaluating medium-duty and heavy-duty truck fuel economy standards, including—

(1) an assessment of technologies and costs to evaluate fuel economy for medium-duty and heavy-duty trucks;

(2) an analysis of existing and potential technologies that may be used practically to improve medium-duty and heavy-duty truck fuel economy;

(3) an analysis of how such technologies may be practically integrated into the medium-duty and heavy-duty truck manufacturing process;

(4) an assessment of how such technologies may be used to meet fuel economy standards to be prescribed under section 32903(1) of title 49, United States Code, as amended by this subtitle; and

(5) associated costs and other impacts on the operation of medium-duty and heavy-duty trucks, including congestion.

(b) REPORT.—The Academy shall submit the report to the Secretary, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Energy and Commerce of the House of Representatives, with its findings and recommendations not later than 5 years after the date on which the Secretary executes the agreement with the Academy.

SEC. 109. PERIODIC REVIEW OF ACCURACY OF FUEL ECONOMY LABELING PROCEDURES.

Beginning in December 2009, and not less often than every 5 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Transportation—

(1) reevaluate the fuel economy labeling procedures described in the final rule published in the Federal Register on December 27, 2006 (71 Fed. Reg. 77,872; 49 C.F.R. parts 600 and 601) to determine whether changes in the factors used to establish the labeling procedures are needed; and

(2) submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that describes the results of the reevaluation process.

SEC. 110. CONSUMER INFORMATION.

(a) IN GENERAL.—Chapter 325 of title 49, United States Code, is amended by inserting after section 32504 the following:

(“a) RULEMAKING.—(1) IN GENERAL.—Not later than 24 months after the date of enactment of the Ten-in-Ten Fuel Economy Act, the Secretary of Transportation shall, after notice and opportunity for comment, promulgate rules establishing national tire fuel efficiency consumer information program for replacement tires designed for use on motor vehicles to

mobile (except an electric automobile), the maximum increase in average fuel economy for a manufacturer attributable to dual fueled automobiles is—

(1) 1.0 miles per gallon for model years 1993 through 2014; and

(2) 0.6 miles per gallon for model years 2017, 2018, and 2019.

(b) EFFECTIVE DATE.—This subsection shall take effect on December 31, 2014, and apply to model years 1993 through 2019.
Section 32912 of title 49, United States Code, is amended by adding at the end the following:

"(e) USE OF CIVIL PENALTIES.—For fiscal year 2008, and each fiscal year thereafter, from the total amount deposited in the general fund of the Treasury during the preceding fiscal year from fines, penalties, and other funds obtained through enforcement actions conducted pursuant to this section (including funds obtained under consent decrees), the Secretary of the Treasury, subject to the availability of funds, shall:

(1) transfer 50 percent of such total amount to the account providing appropriates to the Secretary of Transportation for the administration of this chapter, which shall be used by the Secretary to support rulemaking under this chapter; and

(2) transfer 50 percent of such total amount to the account providing appropriates to the Secretary of Transportation for the administration of this chapter, which shall be used by the Secretary to carry out grants to manufacturers for retooling, reequipping, or expanding existing manufacturing facilities in the United States to produce advanced technology vehicles and components."

SEC. 113. EXEMPTION FROM SEPARATE CALCULATION REQUIREMENT.

(a) REPEAL.—Paragraphs (7), and (8) of section 32904(b) of title 49, United States Code, are repealed.

(b) EFFECT OF REPEAL ON EXISTING ENPRODUCTS.—Any exemption granted under section 32904(b)(6) of title 49, United States Code, prior to the date of the enactment of this Act shall remain in effect subject to its terms through model year 2013.

(c) ACCRUAL AND USE OF CREDITS.—Any manufacturer holding an exemption under section 32904(b)(6) of title 49, United States Code, prior to the date of the enactment of this Act may accrue and use credits under sections 32903 and 32904 of such title beginning with model year 2011.

Subtitle B—Improved Vehicle Technology

SEC. 131. TRANSPORTATION ELECTRIFICATION.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) BATTERY.—The term "battery" means an electrochemical storage system powered directly by electrical current.

(3) ELECTRIC TRANSPORTATION TECHNOLOGY.—The term "electric transportation technology" means:

(A) technology used in vehicles that use an electric motor for all or part of the motive power of the vehicles, including battery electric, hybrid electric, plug-in hybrid electric, electric vehicle, and plug-in fuel cell vehicles, or rail transportation; or

(B) equipment relating to transportation or mobile equipment that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including:

(i) corded or mobile equipment linked to transportation or mobile sources of air pollution; and

(ii) electrification technologies at airports, ports, truck stops, and material-handling facilities.

(4) NONROAD VEHICLE.—The term "nonroad vehicle" means a vehicle—

(A) powered, in whole or in part, by a nonroad engine; or

(B) that is not a motor vehicle or a vehicle used solely for competition.

(5) PLUG-IN ELECTRIC DRIVE VEHICLE.—The term "plug-in electric drive vehicle" means a vehicle that—

(A) draws motive power from a battery with a capacity of at least 4 kilowatt-hours; or

(B) can be recharged from an external source of electricity for motive power; and

(C) is an electric, hybrid electric, plug-in hybrid electric, electric vehicle, or nonroad vehicle (as those terms are defined in section 216 of the Clean Air Act (42 U.S.C. 7550)).

(d) QUALIFIED ELECTRIC TRANSPORTATION PROJECT.—The term "qualified electric transportation project" means an electric transportation project that was significantly emissions-intensive and included projects that focus on criteria pollutants, greenhouse gas emissions, and petroleum, including:

(A) shipside or shoreside electrification for vessels;

(B) truck-stop electrification;

(C) electric truck refrigeration units;

(D) battery powered auxiliary power units for trucks;

(E) electric airport ground support equipment;

(F) electric material and cargo handling equipment;

(G) single- or dual-mode electric rail;

(H) any distribution upgrades needed to supply electricity to the project; and

(I) any ancillary infrastructure, including power upgrades, battery upgrades, in-situ transformers, and trenching.

(b) PLUG-IN ELECTRIC DRIVE VEHICLE PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish a competitive program to provide grants on a cost-shared basis to States, local governments, metropolitan transportation authorities, air pollution control districts, private or nonprofit entities, or combinations of those governments, authorities, districts, and entities, to carry out 1 or more projects to encourage the use of plug-in electric drive vehicles or other emerging electric vehicle technologies, as determined by the Secretary.

(2) ADMINISTRATION.—The Secretary shall, in consultation with the Secretary of Transportation and the Administrator, establish guidelines for applications for grants under this section, including reporting of data to be submitted for dissemination to the public, including safety, vehicle component life cycle costs.

(3) PRIORITY.—In making awards under this subsection, the Secretary shall—

(A) give priority consideration to applications that—

(i) encourage early widespread use of vehicles described in paragraph (1); and

(ii) are likely to make a significant contribution to the advancement of the production of the vehicles in the United States; and

(B) ensure, to the maximum extent practicable, that the proportion of funds established under this subsection includes a variety of applications, manufacturers, and end-uses.

(b) REPORTING.—The Secretary shall require a grant recipient under this subsection to submit to the Secretary, on an annual basis, data relating to safety, vehicle performance, life cycle costs, and emissions of vehicles demonstrated under the grant, including emissions of greenhouse gases.

(c) COST SHARING.—Section 998 of the Energy Policy Act of 2002 (42 U.S.C. 1615d) shall apply to a grant made under this subsection.

(d) DISTRIBUTION.—There is authorized to be appropriated to carry out this subsection $90,000,000 for each...
of fiscal years 2008 through 2012, of which not less than 1/3 of the total amount appropriated shall be available each fiscal year to make grants to local and municipal governments.

(5) PLUG-IN HYBRID ELECTRIC VEHICLE TRANSPORTATION SECURITIZATION PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to provide for the creation, issuance, and sale of securities by the Secretary to finance the purchase of and securitize the notes of loans for the purchase of plug-in hybrid electric vehicles.

(2) EDUCATION PROGRAM.—In providing grants under this subsection, the Secretary shall give priority to programs that create or support new programs to train workers in the manufacturing of advanced electric vehicles.

(3) ELECTRIC VEHICLE COMPETITION.—The program established under paragraph (1) shall provide for a plug-in hybrid electric vehicle competition for institutions of higher education, which shall be known as the "Fuel Cell Challenge" and shall include a plug-in hybrid electric vehicle competition for institutions of higher education.

(4) ENGINEERS.—In carrying out the program established under paragraph (1), the Secretary shall give priority to programs to train engineers and other professionals responsible for the design, manufacture, and testing of plug-in hybrid electric vehicles.

(5) EDUCATION AND TRAINING TECHNOLOGY PROGRAM.—The Secretary shall provide financial assistance to institutions of higher education to create new, or support existing, degree programs to prepare engineers and other professionals responsible for the design, manufacture, and testing of plug-in hybrid electric vehicles.

There is authorized to be appropriated to carry out this subsection $59,000,000 for each of fiscal years 2008 through 2013.

SEC. 132. DOMESTIC MANUFACTURING CONVERSION GRANT PROGRAM.

Section 712 of the Energy Policy Act of 2005 (42 U.S.C. 16562) is amended to read as follows:

"SEC. 712. DOMESTIC MANUFACTURING CONVERSION GRANT PROGRAM.

"(a) PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles and components of those vehicles.

"(2) INCLUSIONS.—The program shall include grants to automobile manufacturers and suppliers and hybrid component manufacturers to encourage domestic production of efficient hybrid, plug-in hybrid electric, plug-in electric drive, and advanced diesel vehicles.

"(3) PRIORITY.—Priority shall be given to the refurbishment or retooling of manufacturing facilities that have recently ceased operation or will cease operation in the near future.

"(b) COORDINATION WITH STATE AND LOCAL PROGRAMS.—The Secretary may coordinate implementation of this section with State and local programs designed to accomplish similar goals, including the retention and retraining of skilled workers from the manufacturing facilities, including by establishing matching grant arrangements.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated 1/3 of the total amount available for each fiscal year to carry out this section.

SEC. 133. INCLUSION OF ELECTRIC DRIVE IN ENERGY POLICY ACT OF 1992.


(1) by redesigning subsections (a) through (d) as subsections (b) through (e), respectively;

(2) by inserting before subsection (b) the following:

"(a) DEFINITIONS.—In this section:

"(1) FUEL CELL ELECTRIC VEHICLE.—The term 'fuel cell electric vehicle' means a vehicle that is powered by a fuel cell or other electrochemical energy source of electricity.

"(2) HYBRID ELECTRIC VEHICLE.—The term 'hybrid electric vehicle' means a vehicle that is powered by more than one source of energy.

"(3) MEDIUM- OR HEAVY-DUTY ELECTRIC VEHICLE.—The term 'medium- or heavy-duty electric vehicle' means a vehicle that is powered by a fuel cell electric vehicle and has a gross vehicle weight of more than 8,500 pounds.

"(4) NEIGHBORHOOD ELECTRIC VEHICLE.—The term 'neighborhood electric vehicle' means a vehicle that is powered by a fuel cell electric vehicle and has a gross vehicle weight of less than 8,500 pounds.

"(b) ALLOCATION.—The program shall in each year of the period of this section:

"(1) include a grant to each State for amounts determined by the Secretary to be reasonable, taking into account the current average cost of providing such systems and to be sufficient to finance the construction of infrastructure for the program, if the Secretary determines that such systems are necessary to carry out this section.

"(c) FUNDING.—Any funds available to the Secretary under subsection (a) shall be used to carry out this section.

"(d) UTILIZATION.—In selecting recipients of funding under subsection (a), the Secretary shall give preference to proposals—

"(1) that meet all applicable Federal and State permitting requirements;

"(2) are most likely to be successful; and

"(3) are located in localities that have the greatest need for the facility.

"(e) MATURE—A loan guaranteed under subsection (a) shall have a maturity of not more than 2 years.

"(f) TERMS AND CONDITIONS.—The loan agreement for a loan guaranteed under subsection (a) 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 (a) provide an assurance of repayment in the form of a performance bond, insurance, collateral, or other acceptable security 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 guaranteed under subsection (a) shall pay the Secretary an amount determined by the Secretary to be adequate to cover the administrative costs of the Secretary relating to the loan guarantee, and any proceeds received by the Secretary shall be used to reduce the cost of guarantee fees.

"(i) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all loans made under this section.

"SEC. 134. LOAN GUARANTEES FOR FUEL-EFFICIENT AUTOMOBILE PARTS MANUFACTURING PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

"(b) IN GENERAL.—The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the manufacture of advanced vehicle batteries and battery systems that are developed and produced in the United States, including advanced lithium ion batteries and hybrid electric system and component manufacturers and software designers.

"(c) REQUIREMENTS.—The Secretary shall make a loan guarantee under subsection (a) to an applicant if—

"(1) without a loan guarantee, credit is not available to the applicant under reasonable terms or conditions; and

"(2) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan.

"(d) LOAN AMOUNT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the manufacture of advanced vehicle batteries and battery systems that are developed and produced in the United States, including advanced lithium ion batteries and hybrid electric system and component manufacturers and software designers.
with respect to principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(1) GRANTS.—Until each guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

(k) TERMINATION OF AUTHORITY.—The authority of the Secretary to issue a loan guarantee under subsection (a) terminates on the date that is 10 years after the date of enactment of this Act.

SEC. 136. ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADVANCED TECHNOLOGY VEHICLE.—The term "advanced technology vehicle" means a light duty vehicle that meets—

(A) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(k) of the Clean Air Act (42 U.S.C. 7522(k)), or a lower-numbered Bin emission standard;

(B) any new emission standard in effect for automobiles that has been established in regulations issued by the Administrator of the Environmental Protection Agency under section 7521(i) of title 42, United States Code, or a lower-numbered Bin emission standard;

(C) has met such other criteria as may be prescribed by the Administrator under that Act (42 U.S.C. 7401 et seq.).

(2) COMBINED FUEL ECONOMY.—The term "combined fuel economy" means—

(A) the combined city/highway miles per gallon values, as reported in accordance with section 29064 of title 49, United States Code; and

(B) in the case of an electric drive vehicle with the ability to recharge from an off-board source, the reported mileage, as determined in a manner consistent with the Society of Automotive Engineers recommended practice for that configuration or a similar practice recommended by the Secretary.

(3) ENGINEERING INTEGRATION COSTS.—The term "engineering integration costs" includes the cost of engineering tasks relating to—

(A) incorporating qualifying components into the design of advanced technology vehicles; and

(B) designing tooling and equipment and developing manufacturing processes and material suppliers for production facilities that produce qualifying components or advanced technology vehicles.

(4) QUALIFYING COMPONENTS.—The term "qualifying components" means components that the Secretary determines to be—

(A) designed for advanced technology vehicles; and

(B) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(b) ADVANCED VEHICLES MANUFACTURING FACILITY.—The Secretary shall provide facility funding under this section to automobile manufacturers and component suppliers to pay not more than 30 percent of the cost of—

(1) acquiring or qualifying advanced technology vehicle components; and

(2) engineering integration performed in the United States of qualifying vehicles and qualifying components, as determined by the Secretary.

(c) PERIOD OF AVAILABILITY.—An award under subsection (b) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2020.

(d) DIRECT LOAN PROGRAM.—In general.—

(1) LOANS.—In general.—The Secretary shall establish a program to provide loans to eligible projects to be used for the purposes described in subsection (b) that are designed to significantly improve the fuel efficiency of light vehicles as determined by the Secretary. Eligible projects under this program may include the purchase of machinery, equipment, and buildings or the construction of new or expanded manufacturing facilities.

(2) PREREQUISITE.—For an award or loan under this subsection to be made, there shall be a report on the activities of the Secretary made in a manner prescribed by the Secretary, and the Secretary shall select eligible projects to receive funds.

(e) IMPROVEMENT.—The Secretary shall issue regulations that require that, in order for an automobile manufacturer to be eligible for an award or loan under this section during any particular year, the average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the year in which the data shall be not less than the average fuel economy for all light duty vehicles of the manufacturer for model year 2005. In order to determine eligibility for a new manufacturer or a manufacturer that has not previously produced equivalent vehicles, the Secretary may substitute industry averages.

(f) FEE.—Administrative costs shall be no more than $100,000 or 10 basis points of the loan.

(g) PRIORITY.—The Secretary shall, in making awards or loans to those manufacturers that have expressed a priority to those facilities that are oldest or have been in existence for at least 20 years. Such facilities can be used to carry out the provisions of this Act.

(h) SET ASIDE.—The awards or loans shall be set aside for the purposes of this Act. The term "covered firm" means—

(A) that employs less than 500 individuals; and

(B) manufactures automobiles or components of automobiles.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

Subtitle C—Federal Vehicle Fleets

SEC. 141. FEDERAL VEHICLE FLEETS.

(a) AUTHORIZATION OF APPROPRIATIONS.—The Secretary of Energy shall provide a total of not more than $25,000,000,000 in loans to eligible individuals and entities (as determined by the Secretary) for the costs of activities described in subsection (b) that are designed to significantly improve the fuel efficiency of vehicles (as determined by the Secretary). Eligible activities under this program may include the purchase of machinery, equipment, and buildings or the construction of new or expanded manufacturing facilities.

(b) PERIOD OF AVAILABILITY.—An award under subsection (a) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2020.

(c) DIRECT LOAN PROGRAM.—In general.—

(1) LOANS.—In general.—The Secretary shall establish a program to provide loans to eligible projects to be used for the purposes described in subsection (b) that are designed to significantly improve the fuel efficiency of vehicles as determined by the Secretary. Eligible projects under this program may include the purchase of machinery, equipment, and buildings or the construction of new or expanded manufacturing facilities.

(2) PREREQUISITE.—For an award or loan under this subsection to be made, there shall be a report on the activities of the Secretary made in a manner prescribed by the Secretary, and the Secretary shall select eligible projects to receive funds.

(3) SELECTION OF ELIGIBLE PROJECTS.—The Secretary shall select eligible projects to receive loans under this subsection in cases in which, as determined by the Secretary, the award recipient—

(A) is financially viable without the receipt of additional Federal funding associated with the proposed project; and

(B) will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is expended efficiently and effectively; and

(C) has met such other criteria as may be established and published by the Secretary.

(4) RATES, TERMS, AND REPAYMENT OF LOANS.—A loan provided under this subsection—

(A) shall have an interest rate that, as of the date of enactment of this Act, is equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity; and

(B) shall have a term equal to the lesser of—

(i) the projected life, in years, of the eligible project to be carried out using funds from the loan, as determined by the Secretary; and

(ii) 25 years;

(C) may be subject to a deferral in repayment for not more than 5 years after the date on which the eligible project carried out using funds from the loan begins operations, as determined by the Secretary; and

(D) shall be made by the Federal Financing Bank.

(d) IMPROVEMENT.—The Secretary shall issue regulations that require that, in order for an automobile manufacturer to be eligible for an award or loan under this section during any particular year, the average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the year in which the data shall be not less than the average fuel economy for all light duty vehicles of the manufacturer for model year 2005. In order to determine eligibility for a new manufacturer or a manufacturer that has not previously produced previously produced equivalent vehicles, the Secretary may substitute industry averages.

(e) FEE.—Administrative costs shall be no more than $100,000 or 10 basis points of the loan.

(f) PRIORITY.—The Secretary shall, in making awards or loans to those manufacturers that have expressed a priority to those facilities that are oldest or have been in existence for at least 20 years. Such facilities can be used to carry out the provisions of this Act.

(g) SET ASIDE.—Of the amount of funds that are used to provide awards for each fiscal year under subsection (b), the Secretary shall use not less than 10 percent to provide awards to covered firms or consortia led by a covered firm.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.
of greenhouse gas reductions that would have been achieved each year through acquisition of a low greenhouse gas emitting vehicle.

"(C) SPECIAL RULE FOR VEHICLES PROVIDED BY FUNDS CONTAINED IN MEMBERS’ REPRESENTATIONAL ALLOWANCE.—This paragraph shall apply to the acquisition of a light duty motor vehicle or medium duty passenger vehicle, a recreational vehicle, or a school bus using any portion of a Member’s Representational Allowance, including an acquisition under a long-term lease.

"(D) GUIDANCE.—"(A) IN GENERAL.—Each year, the Administrator of the Environmental Protection Agency shall make available guidance identifying the makes and model numbers of vehicles that are low greenhouse gas emitting vehicles.

"(B) CONSIDERATION.—In identifying vehicles under paragraph (A), the Administrator shall take into account the most stringent standards for vehicle greenhouse gas emissions applicable to and enforceable against motor vehicle manufacturers for vehicles sold anywhere in the United States.

"(E) REQUIREMENT.—The Administrator shall not identify any vehicle as a low greenhouse gas emitting vehicle if the vehicle emits greenhouse gases at a higher rate than such standards allow for the manufacturer’s fleet average grams per mile of carbon dioxide-equivalent emissions for that class of vehicle, taking into account any emissions allowances and adjustment factors such standards provide.

SEC. 142. FEDERAL FLEET CONSERVATION REQUIREMENTS.

Part J of title III of the Energy Policy and Conservation Act (42 U.S.C. 6374 et seq.) is amended by adding at the end the following:

"SEC. 400FF. FEDERAL FLEET CONSERVATION REQUIREMENTS.

"(a) MANDATORY REDUCTION IN PETROLEUM CONSUMPTION.—

"(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary shall issue regulations for Federal fleets subject to section 400AA to require that, beginning in fiscal year 2010, each Federal agency shall reduce petroleum consumption and increase alternative fuel consumption each year by an amount necessary to meet the goals described in paragraph (2).

"(2) GOALS.—The goals of the requirements under this paragraph are that no later than October 1, 2015, and for each year thereafter, each Federal agency shall achieve at least a 20 percent reduction in annual petroleum consumption and a 10 percent increase in annual alternative fuel consumption, as calculated from the baseline established by the Secretary for fiscal year 2005.

"(3) MILESTONES.—The Secretary shall include in the regulations described in paragraph (1) interim numeric milestones to assess annual agency progress towards accomplishing the goals described in that paragraph; and

"(b) REQUIREMENT.—Each Federal agency shall annually report on progress towards meeting each of the milestones and the 2015 goals.

"(b) REQUIREMENT.—

"(1) REQUIREMENT.—(A) IN GENERAL.—The regulations under subsection (a) shall require each Federal agency to develop a plan, and implement the measures specified in the plan, to reduce the average petroleum consumption level of its fleet by a specified percentage.

"(B) INCLUSIONS.—The plan shall—

"(i) identify the specific measures the agency will use to meet the requirements of subsection (a); and

"(ii) quantify the reductions in petroleum consumption or increases in alternative fuel consumption projected to be achieved by each measure each year.

"(2) MEASURES.—The plan may allow an agency to meet the required petroleum reduction level through—

"(A) the use of alternative fuels;

"(B) the acquisition of vehicles with higher fuel economy, including hybrid vehicles, neighboring emissions, electric vehicles, and plug-in hybrid vehicles if the vehicles are commercially available;

"(C) the substitution of cars for light trucks;

"(D) an increase in vehicle load factors;

"(E) a decrease in vehicle miles traveled;

"(F) a decrease in vehicle size; and

"(G) other measures.

TITLE II—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS

Subtitle A—Renewable Fuel Standard

SEC. 201. DEFINITIONS.

Section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)) is amended to read as follows:

"(1) DEFINITIONS.—In this section:

"(A) ADDITIONAL RENEWABLE FUEL.—The term 'additional renewable fuel' means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in home heating oil or jet fuel.

"(B) ADVANCED BIOFUEL.—

"(i) IN GENERAL.—The term 'advanced biofuel' means, other than ethanol derived from starch, that is produced from renewable biomass and that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, that are at least 50 percent less than baseline lifecycle greenhouse gas emissions.

"(ii) INCLUSIONS.—The types of fuels eligible for consideration as 'advanced biofuel' may include any of the following:

"(I) Ethanol derived from cellulose, hemicellulose, or lignin.

"(II) Ethanol derived from sugar or starch (other than corn starch).

"(III) Ethanol derived from waste material, including crop residue, other vegetative waste material, animal waste, and food waste and yard waste.

"(IV) Biomass-based diesel.

"(V) Biogas (including landfill gas and sewage waste) that is produced through the conversion of organic matter from renewable biomass.

"(VI) Butanol or other alcohols produced through the conversion of organic matter from renewable biomass.

"(VII) Other fuel derived from cellulose biomass.

"(VIII) BASELINE LIFECYCLE Greenhouse Gas Emissions.—The term 'baseline lifecycle greenhouse gas emissions' means the average lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, for gasoline or diesel (whichever is being replaced by the renewable fuel) sold or distributed as transportation fuel in any calendar year.

"(IX) BIOMASS-BASED DIESEL.—The term 'biomass-based diesel' means renewable fuel that is biodiesel as defined in section 312(f) of the Energy Policy Act of 1992 (42 U.S.C. 13202(1)(f)) and that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, that are at least 50 percent less than the baseline lifecycle greenhouse gas emissions. Notwithstanding the preceding sentence, renewable fuel derived from processed vegetable oil used in an aircraft in a test stock shall be advanced biofuel if it meets the requirements of subparagraph (B), but is not biomass-based diesel.

"(X) CELULOSIC BIOMASS.—The term 'celullosic biofuel' means renewable fuel derived from any cellulose, hemicellulose, or lignin that is derived from renewable biomass and that has lifecycle greenhouse gas emissions, as determined by the Administrator, that are at least 50 percent less than the baseline lifecycle greenhouse gas emissions.

"(F) CONVENTIONAL BIOFUEL.—The term 'conventional biofuel' means renewable fuel that is ethanol derived from corn starch.

"(G) Greenhouse gas.—The term 'greenhouse gas' means any one of the gases that is identified in subparagraphs (B) through (F).

"(H) LIFECYCLE Greenhouse gas EMISSIONS.—The term 'lifecycle greenhouse gas emissions' means the aggregate quantity of greenhouse gas emissions (including direct emissions and significant indirect emissions associated with lifecycle greenhouse gas emissions) as determined by the Administrator, after notice and opportunity for comment, to contribute to global warming.

"(I) RENEWABLE BIOMASS.—The term 'renewable biomass' means each of the following:

"(i) Planted crops and crop residue harvested from agricultural land cleared or cultivated at any time prior to the enactment of this section that is either actively managed or fallow, and nonforested.

"(ii) Planted trees and tree residue from actively managed tree plantations on non-federal land cleared or converted to use after the date of enactment of this section, including land belonging to an Indian tribe or an individual, that is held in trust by the United States or subject to a restriction against alienation imposed by the United States.

"(iii) Animal waste material and animal byproducts.

"(iv) Slag and pre-commercial thinnings that are from non-federal forestlands, including forestlands belonging to an Indian tribe or an individual, that are in trust by the United States or subject to a restriction against alienation imposed by the United States, but not forests or forestlands that are ecological communities with a global or national ranking of imperiled, imperiled, or rare pursuant to a State Natural Heritage Program, old growth forest, or late successional forest.

"(v) Biomass obtained from the immediate vicinity of buildings and other areas regularly occupied by people, or of public infrastructure, at risk from wildfire.

"(vi) Algae.

"(vii) Separated yard waste or food waste, including recycled cooking and trap grease.

"(J) RENEWABLE FUEL.—The term 'renewable fuel' means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in a transportation fuel.

"(K) SMALL REFINERY.—The term 'small refinery' means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

"(L) TRANSPORTATION FUEL.—The term 'transportation fuel' means fuel for use in motor vehicles, nonroad engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels)."
shall be on the assumption that the Administrator will not need to issue a waiver for such years under paragraph (7)(D).

(7)(D) 5-YEAR REVIEW.—Whenever the Administrator makes the determinations in clause (ii), the applicable volume of biomass-based diesel shall not be less than the applicable volume established by the Administrator for such years under paragraph (7)(D) shall be based on the assumption that the Administrator will not need to issue a waiver for such years under paragraph (7)(D).

(8) MODIFICATION OF GREENHOUSE GAS REDUCTION PERCENTAGES.—(A) IN GENERAL.—The Administrator may, in the regulations under the last sentence of paragraph (2)(A)(i), adjust the percentage, and 60 percent reductions in lifecycle greenhouse gas emissions specified in paragraph (2)(A) (biomass-based diesel), (1)(D) (relating to biomass-based diesel), and (1)(E) (relating to cellulosic biofuel) to a lower percentage. For the 50 and 60 percent reductions, the Administrator may make such an adjustment only if he determines that the generally such reduction is not commercially feasible for fuels made using a variety of feedstocks, technologies, and processes to meet the applicable reduction.

(9) ADJUSTED REDUCTION LEVELS.—An adjustment under this paragraph to a percent less than the specified 20 percent greenhouse gas reduction for renewable fuel shall be the minimum possible adjustment for the use of a variety of feedstocks, technologies, and processes to meet the applicable reduction.

(10) TERMINATION.—In the regulations under the last sentence of paragraph (2)(A)(i), and inserting "2021", in subparagraph (A), by striking "2021", and inserting "2022".

(11) IN GENERAL.—The Administrator shall promulgate rules establishing the applicable volumes under this clause no later than 14 months before the first year for which such applicable volume will apply.

(12) IN GENERAL.—The applicable volume of advanced biofuel shall be at least the same percentage of the applicable volume of renewable fuel as in calendar year 2022.

(13) IN GENERAL.—The Administrator shall promulgate rules establishing the applicable volumes under this clause no later than 14 months before the first year for which such applicable volume will apply.

(14) IN GENERAL.—For the purpose of making the determinations in clause (ii), the applicable volume of biomass-based diesel established by the Administrator for such years under paragraph (7)(D) shall be based on the assumption that the Administrator will not need to issue a waiver for such years under paragraph (7)(D).
provided in subparagraph (D), the Administrator may not adjust the percent greenhouse gas reduction levels unless he determines that there has been a significant change in technology or other methodological adjustment, or to account for the lifecycle greenhouse gas emissions. If he makes such determination, he may adjust the 20, 50, or 60 percent reduction levels at any time, based on changes in applicable methodologies or standards set forth in this paragraph.

"(F) LIMIT ON UPWARD ADJUSTMENTS.—If, under subparagraph (D) or (E), the Administrator revises a percent level adjusted as provided in subparagraph (A), (B), and (C) to a higher percent, such revision, or change (or any combination thereof) shall only apply to renewable fuel from new facilities that commence construction and begin to produce fuel after the effective date of such adjustment, revision, or change."

(d) CREDITS FOR ADDITIONAL RENEWABLE FUEL.—Paragraph (7) of section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)(5)) is amended by adding the following after the end thereof:

"(E) BIOMASS-BASED DIESEL.—

(1) MARKET EVALUATION.—The Administrator, in consultation with the Secretary of Energy, shall periodically evaluate the impact of the biomass-based diesel requirements established under this paragraph on the price of diesel fuel.

(2) Waivers.—If the Administrator determines that there is a significant renewable feedstock disruption or other market conditions that would make the price of biomass-based diesel fuel increase significantly, the Administrator, in consultation with the Secretary of Energy and the Secretary of Agriculture, may issue an order to reduce, for up to a 60-day period, the quantity of biomass-based diesel fuel required under subparagraph (A) by an appropriate quantity that does not exceed 15 percent of the applicable annual requirement for biomass-based diesel. For any calendar year in which the Administrator makes a reduction under this subparagraph, the Administrator may also reduce the applicable volume of renewable fuel and advanced biofuels requirement established under paragraph (2)(B) by the same or a lesser percentage.

(3) EXTENSIONS.—If the Administrator determines that the feedstock disruption or circumstances described in clause (1) is continuing beyond the 60-day period described in clause (2), the Administrator, in consultation with the Secretary of Energy and the Secretary of Agriculture, may issue an order to reduce, for up to an additional 60-day period, the quantity of biomass-based diesel fuel required under subparagraph (A) by an appropriate quantity that does not exceed an additional 15 percent of the applicable annual requirement for biomass-based diesel.

(F) MODIFICATION OF APPLICABLE VOLUMES.—For any of the tables in paragraph (2)(B), if the Administrator waives under clause (1) at least 20 percent of the applicable volume requirement set forth in any such table for 2 consecutive years; or

(ii) at least 50 percent of such volume requirement for 2 consecutive years, the Administrator shall promulgate a rule (within one year after issuing such waiver) that modifies the applicable volumes set forth in the table concerned for all years following the final year to which the waiver applies, except that no such modification in applicable volumes shall be made for any year before 2016. Promulgating such a rule, the Administrator shall comply with the provisions, criteria, and standards set forth in paragraph (2)(B)(ii)."

SEC. 203. STUDY OF IMPACT OF RENEWABLE FUEL STANDARD.

(a) IN GENERAL.—The Secretary of Energy, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall enter into an arrangement with the National Academy of Sciences to conduct an in-depth study to assess the impact of the requirements described in section 211(o) of the Clean Air Act on each industry described in subsection (b), the production of feed grains, livestock, food, forest products, and energy.

(b) PARTICIPATION.—In conducting the study under this section, the National Academy of Sciences shall include the participation, and consider the input of—

(1) producers of feed grains;

(2) producers of livestock, poultry, and pork products;

(3) producers of food and food products;

(4) producers of energy;

(5) individuals and entities interested in issues relating to conservation, the environment, and nutrition;

(6) users and consumer of renewable fuels;

(7) producers and users of biomass feedstocks and land grant universities.

(c) CONSIDERATIONS.—In conducting the study under this section, the National Academy of Sciences shall consider—

(1) the likely impact on domestic animal agriculture feedstocks that, in any crop year, are significantly below current projections;

(2) policy options to alleviate the impact on domestic animal agriculture feedstocks that are significantly below current projections; and

(3) policy options to maintain regional agricultural and silvicultural capability.

SEC. 204. ENVIRONMENTAL AND RESOURCE CONSERVATION IMPACTS.

(a) IN GENERAL.—Not later than 3 years after the enactment of this section and every 3 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall assess and report to Congress on the impacts of the requirements described in subsection (a)(2) on each individual and entity described in paragraph (2)."
(1) Environmental issues, including air quality, effects on hypoxia, pesticides, sediment, nutrient and pathogen levels in waters, acreage and function of waters, and soil environmental quality.

(2) Resource conservation issues, including soil conservation, water availability, and ecosystem health and biodiversity, including impacts of large-scale land use changes and patterns of development.

(3) The growth and use of cultivated invasive or noxious plants and their impacts on the environment and agriculture.

In advance of preparing the report required by this subsection, the Administrator may seek the views of the National Academy of Sciences or another appropriate independent research institute. The report shall include the analysis and imported renewable fuels and feedstocks, and the environmental impacts outside the United States of producing such fuels and feedstocks. The report required by this subsection shall include recommendations for actions to address any adverse impacts found.

(b) Effect on Air Quality and Other Environmental Requirements.—Except as provided in section 211(o)(13) of the Clean Air Act, allowances made available to any entity under this title by this subsection shall include recommendations for changes in vehicle and engine emissions of greenhouse gas, for purposes of other provisions of State or Federal law or regulation, including any environmental law or regulation.

SEC. 205. Biomass-based Diesel and Biodiesel Labeling.

(a) In General.—Each retail diesel fuel pump shall be labeled in a manner that informs consumers of the percent of biomass-based diesel or biodiesel in the fuel that meets ASTM D975 diesel specifications or exceeds ASTM D975, such as a blend at least 5 percent biodiesel in blend at least 10 percent biodiesel.

(b) Labeling Requirements.—Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall promulgate biodiesel labeling requirements as follows:

(1) Biomass-based diesel blends or biodiesel blends that contain less than or equal to 5 percent biomass-based diesel or biodiesel by volume that meet ASTM D975 diesel fuel specifications shall not require any additional labels.

(2) Biomass-based diesel blends or biodiesel blends that contain more than 5 percent biomass-based diesel or biodiesel by volume in quantities between 5 percent and 20 percent.

(3) Biomass-based diesel or biodiesel blends that contain more than 20 percent biomass-based diesel or biodiesel by volume shall be labeled “contains more than 20 percent biomass-based diesel or biodiesel”.

(c) Definitions.—In this section:


(2) Biomass-based Diesel and Biodiesel—The term “biomass-based diesel or biodiesel” means the monoalkyl esters of long chain fatty acids derived from plant or animal materials that meet:

(A) the registration requirements for fuels and fuel additives established under this section,

(B) the requirements of ASTM standard D6751.

(4) Biomass-based Diesel and Biodiesel Blend and Biodiesel Blend—The term “biomass-based diesel or biodiesel blend” means a blend of “biomass-based diesel” or “biodiesel” fuel that is blended with petroleum based diesel fuel.

SEC. 206. Study of Credits for Use of Renewable Electricity in Electric Vehicles.

(a) Definition of Electric Vehicle.—In this section, the term “electric vehicle” means an electric motor vehicle as defined in section 211(o)(1)(B) of the Energy Policy Act of 1992 (42 U.S.C. 13271) for which the rechargeable storage battery—

(1) receives a charge directly from a source of electric current that is external to the vehicle; and

(2) provides a minimum of 80 percent of the motive power of the vehicle.

(b) Study.—The Administrator of the Environmental Protection Agency shall conduct a study on the feasibility of issuing credits under the program established under section 211(o) of the Clean Air Act to electric vehicles powered by electricity produced from renewable energy sources.

(c) Report.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Natural Resources of the United States House of Representatives a report that describes the results of the study, including a description of—

(1) existing programs and studies on the use of renewable electricity as a means of powering electric vehicles;

(2) alternatives for designing a pilot program to determine the feasibility of using renewable electricity to power electric vehicles as an adjunct to a renewable fuels mandate;

(3) allowing the use, under the pilot program designed under subparagraph (A), of electricity generated from nuclear energy as an additional source of supply;

(4) identifying the source of electricity used to power electric vehicles; and

(5) equating specific quantities of electric energy to quantities of renewable fuel under section 211(o) of the Clean Air Act.

SEC. 207. Grants for Production of Advanced Biofuels.

(a) In General.—The Secretary of Energy shall establish a program to encourage the production of advanced biofuels.

(b) Requirements and Priority.—In making grants under this section, the Secretary—

(1) shall make awards to the proposals for advanced biofuels with the greatest reduction in lifecycle greenhouse gas emissions compared to comparable motor vehicle fuel lifecycle emissions during calendar year 2005;

(2) shall not make an award to a project that does not achieve at least a 20 percent reduction in lifecycle greenhouse gas emissions.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $500,000,000 for the period of fiscal years 2006 through 2015.

SEC. 208. Integrated Consideration of Water Quality in Determination of Fuels and Fuel Additives.

Section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)) is amended as follows:

(1) By striking “nonroad vehicle (A) if in the judgment of the Administrator and inserting “nonroad vehicle if, in the judgment of the Administrator, any fuel or fuel additive of”; and

(2) In subparagraph (A), by striking “air pollution which” and inserting “air pollution which would result in any further degradation in the quality of ground water”.

SEC. 209. Anti-Backsliding.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following subsection:

"(c) Prevention of Air Quality Deterioration.—

(1) In General.—Not later than 18 months after the date of enactment of this subsection, the Administrator shall complete a study to determine whether the renewable fuels required by this Act will adversely impact air quality as a result of changes in vehicle and engine emissions of air pollutants regulated under this Act.

(2) Considerations.—The study shall include consideration of—

(i) different blend levels, types of renewable fuels, and available vehicle technologies; and

(ii) appropriate national, regional, and local air quality control measures.

(2) Regulations.—Not later than 3 years after the date of enactment of this subsection, the Administrator shall—

(A) promulgate fuel regulations to implement appropriate measures to mitigate, to the greatest extent practicable, any adverse impacts on air quality, as the result of the renewable fuels required by this section; and

(B) make a determination that no such measures are necessary.


(a) Transition Rules.—(1) For calendar year 2008, transportation fuel sold or introduced into commerce in the United States (except in noncontiguous territories), that is produced from facilities that commence construction after the date of enactment of this Act and meet standards of this Act, is considered renewable fuel within the meaning of section 211(o) of the Clean Air Act only if it achieves at least a 20 percent reduction in lifecycle greenhouse gas emissions compared to baseline lifecycle greenhouse gas emissions. For calendar years 2009 and 2010, any ethanol plant that is fired with natural gas, biomass, or any combination thereof is deemed to be in compliance with such 20 percent reduction requirement and with the 20 percent reduction requirement of section 211(o)(1) of the Clean Air Act. The application of this subsection shall have the same meaning as provided in the amendment made by this Act to section 211(o) of the Clean Air Act.

(b) Savings Clause.—Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is amended by inserting the following new paragraph at the end thereof:

"(12) Effect on other provisions.—Nothing in this subsection, or regulations issued to implement this subsection, shall affect or be construed to affect the regulatory status of carbon dioxide or any other greenhouse gas, or to expand or limit regulatory authority over consumption of carbon dioxide or any other greenhouse gas, for purposes of other provisions (including section 165) of this Act. The
previous sentence shall not affect implementation and enforcement of this subsection."

(c) EFFECTIVE DATE.—The amendments made by this title to section 211(o) of the Clean Air Act take effect on January 1, 2009, except that the Administrator shall promulgate regulations to carry out such amendments not later than one year after the enactment of this Act.

Subtitle B—Biofuels Research and Development

SEC. 221. BIODIESEL.

(a) BIODIESEL STUDY.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall submit to Congress a report on any research and development challenges inherent in increasing the proportion of diesel fuel sold in the United States that is biodiesel.

(b) MATERIAL FOR THE ESTABLISHMENT OF STANDARDS.—The Director of the National Institute of Standards and Technology, in consultation with the Secretary, shall make publicly available the physical property data and characterization of biodiesel and other biofuels as appropriate.

SEC. 222. BIOMAS.

Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall submit to Congress a report on any research and development challenges inherent in increasing the amount of transportation fuels sold in the United States that are fuel with biogenic or a blend of biogas and natural gas.

SEC. 223. GRANTS FOR BIOFUEL PRODUCTION RESEARCH AND DEVELOPMENT IN CERTAIN STATES.

(a) IN GENERAL.—The Secretary shall provide grants to eligible entities for research, development, demonstration, and commercial application of biofuel production technologies in States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol, as determined by the Secretary.

(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall—

1. an institution of higher education (as defined in section 501 of the Energy Policy Act of 2005 (42 U.S.C. 15801)), including tribally controlled colleges or universities, located in a State described in subsection (a); or

2. a consortium including at least 1 such institution of higher education, and industry, State agencies, Indian tribal agencies, State laboratories, or local government agencies located in the State; and

2. have proven experience and capabilities with relevant technologies.

(c) LIMITATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $25,000,000 for each of fiscal years 2008 through 2012.

SEC. 224. BIOREFINERY ENERGY EFFICIENCY.

Section 932 of Energy Policy Act of 2005 (42 U.S.C. 16232) is amended by adding at the end the following new subsection:

(g) BIOREFINERY ENERGY EFFICIENCY.—The Secretary shall establish a program of research, development, demonstration, and commercial application to increasing energy efficiency and reducing energy consumption in the operation of bioenergy facilities.

SEC. 225. STUDY OF OPTIMIZATION OF FLEXIBLE FUELED VEHICLES TO USE E85 FUEL.

(a) IN GENERAL.—The Secretary, in consultation with the Administrator of Transportation and the Administrator of the Environmental Protection Agency, shall conduct a study of ways of utilizing flexible fueled vehicles to operate using E85 fuel would increase the fuel efficiency of flexible fueled vehicles.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Science and Technology and the Committee on Energy and Natural Resources of the House of Representatives, and to the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, and the Committee on Commerce, Science, and Transportation of the Senate, a report that describes the results of the study under this section, including any recommendations of the Secretary.

SEC. 226. ENGINE DURABILITY AND PERFORMANCE ASSOCIATED WITH BIODIESEL.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall initiate a study on the effects of the use of biodiesel on the performance and durability of engines and engine systems.

(b) COMPONENTS.—The study under this section shall include—

1. an assessment of whether the use of biodiesel lengthens the durability and performance of conventional diesel engines and engine systems; and

2. an assessment of the effects referred to in subsection (a) with respect to biodiesel blends at varying concentrations, including the following percentage concentrations of biodiesel:

   A. 5 percent biodiesel.
   B. 10 percent biodiesel.
   C. 20 percent biodiesel.
   D. 30 percent biodiesel.
   E. 50 percent biodiesel.
   F. 100 percent biodiesel.

(c) REPORT.—Not later than 24 months after the date of enactment of this Act, the Secretary shall submit to the Secretary on Science and Technology and the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, and the Committee on Commerce, Science, and Transportation of the Senate, a report that describes the results of the study under this section, including any recommendations of the Secretary.

SEC. 227. STUDY OF OPTIMIZATION OF BIOFUELS USED IN NATURAL GAS VEHICLES.

(a) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, shall conduct a study of methods of increasing the fuel efficiency of vehicles using biogas or a blend of biogas and natural gas.

SEC. 228. ALGAL BIOMASS.

(a) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term ‘‘eligible entity’’ means—

1. an 1890 Institution (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)); or

SEC. 229. BIOFUELS AND BIOREFINERY INFORMATION CENTER.

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Agriculture, shall establish a biofuels and biorefinery information center to make available to interested parties information on—

1. renewable fuel feedstocks, including the varieties of fuel capable of being produced from various feedstocks;

2. biorefinery processing techniques related to various renewable fuels and feedstocks;

3. the distribution, blending, storage, and retail dispensing infrastructure necessary for the transport and use of renewable fuels;

4. Federal and State policies and programs related to renewable fuel production and use;

5. renewable fuel research and development advancements;

6. renewable fuel development and biorefinery processes and technologies;

7. renewable fuel resources, including information on programs and incentives for renewable fuels;

8. renewable fuel producers;

9. renewable fuel users; and

10. potential renewable fuel users.

(b) ADMINISTRATION.—In administering the biofuels and biorefinery information center, the Secretary shall—

1. continually update information provided by the center;

2. make information available relating to processes and technologies for renewable fuel production;

3. make information available to interested parties on the process for establishing a biorefinery; and

4. make information and assistance provided by the center available through a toll-free telephone number and website.

(c) COORDINATION AND NONDUPlication.—To the maximum extent practicable, the Secretary shall ensure that the activities under this section are coordinated with, and do not duplicate the efforts of, centers at other government agencies.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 230. CELLULOSIC ETHANOL AND BIOFUELS FROM ALGAE.

(a) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term ‘‘eligible entity’’ means—

1. an 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7061)); and

2. a part B Institution (as defined in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061)) (commonly referred to as ‘‘Historically Black Colleges and Universities’’);

3. a tribal college or university (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)); or
(a) A Hispanic-serving institution (as defined in section 502(a) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)));

(b) Grants.—The Secretary shall make cellulosic ethanol and biofuels research and development grants to 10 eligible entities selected by the Secretary to receive a grant under this section through a peer-reviewed competitive process.

c. CONCLUSION.—An eligible entity that is selected to receive a grant under subsection (a) shall be required to match at least 50 percent of the award total amount provided to it under the grant.

d. AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to make grants described in subsection (a) $50,000,000 for fiscal year 2008, to remain available until expended.

SEC. 231. BIOENERGY RESEARCH AND DEVELOPMENT, AUTHORIZATION OF APPROPRIATIONS.

Section 931 of the Energy Policy Act of 2005 (42 U.S.C. 16231) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking “and” at the end;

(B) in paragraph (3), by striking the period at the end and inserting “; and”;

(C) by adding at the end the following:

“(2) the improvement and development of analytical tools to facilitate the analysis of life-cycle energy and greenhouse gas emissions at the end and inserting ‘; and’; and

(3) by adding at the end the following:

“(4) to facilitate small-scale production, local, and on-farm use of biofuels, including the development of small-scale gasification technologies for production of biofuel from cellulose feedstocks.”.

SEC. 233. BIOENERGY RESEARCH CENTERS.

Section 977 of the Energy Policy Act of 2005 (42 U.S.C. 16171) is amended by adding at the end the following:

“(d) Establishment of Centers.—In carrying out the program under subsection (a), the Secretary shall establish at least 7 bioenergy research centers, which may be of varying size.

“(1) Geographic Distribution.—The Secretary shall establish at least 1 bioenergy research center in each Petroleum Administration for Defense District or Subdistrict of a Petroleum Administration for Defense District.

“(2) Goals.—The goals of the centers established under this subsection shall be to accelerate hydrogen research and development of biofuels, including biological processes.

“(3) Selection and Duration.—A center under this subsection shall be selected on a competitive basis for a period of 5 years.

“(4) Reaplication.—After the end of the period described in subparagraph (A), a grantee may reapply for selection on a competitive basis.

“(5) Inclusion.—A center that is in existence on the date of enactment of this subsection—

“(A) shall be counted towards the requirement for establishment of at least 7 bioenergy research centers; and

“(B) may continue to receive support for a period of 5 years beginning on the date of establishment of the center.”.

SEC. 234. UNIVERSITY BASED RESEARCH AND DEVELOPMENT GRANT PROGRAM.

(a) Establishment.—The Secretary shall establish a competitive grant program, in a manner consistent with, for projects submitted for consideration by institutions of higher education to conduct research and development of renewable energy technologies. Each grant made shall not exceed $2,000,000.

(b) Eligibility.—Priority shall be given to institutions of higher education with—

(1) established programs of research in renewable energy;

(2) locations that are low income or outside of an urbanized area;

(3) a joint venture with an Indian tribe; and

(4) proximity to trees dying of disease or insect infestation as a source of woody biomass.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary $25,000,000 for carrying out this section.

(d) Definitions.—In this section—

(1) Indian tribe.—The term ‘Indian tribe’ has the meaning as defined in section 126(c) of the Energy Policy Act of 2005.

(2) Renewable Energy.—The term ‘renewable energy’ has the meaning as defined in section 902 of the Energy Policy Act of 2005.

(3) Urbanized area.—The term ‘urbanized area’ has the meaning as defined by the U.S. Bureau of the Census.

Subtitle C—Biofuels Infrastructure

SEC. 241. PROHIBITION ON FRANCHISE AGREEMENT RESTRICTIONS RELATED TO RENEWABLE FUEL INFRASTRUCTURE.

(a) In General.—Title I of the Petroleum Marketing Practices Act (15 U.S.C. 2801 et seq.) is amended by adding at the end the following:

“SEC. 107. PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.

“(a) Definition.—In this section—

“(1) RENEWABLE FUEL.—The term ‘renewable fuel’ means—

“(A) at least 85 percent of the volume of which consists of ethanol; or

“(B) any mixture of biodiesel and diesel or renewable diesel (as defined in regulations adopted pursuant to section 901(b) of the Clean Air Act (40 CFR, Part 80)), determined without regard to any use of kerosene and containing at least 20 percent biodiesel or renewable diesel.

“(2) Franchise-Related Document.—The term ‘franchise-related document’ means—

“(A) a franchise under this Act; and

“(B) any other contract or directive of a franchisor relating to terms or conditions of the sale of fuel by a franchisee.

“(b) Prohibitions.—

“(1) In General.—No franchise-related document entered into or renewed on or after the date of enactment of this section shall contain any provision allowing a franchisor to restrict the franchisee or any affiliate of the franchisee from—

“(A) installing on the premises of the franchisee a renewable fuel pump or tank, except that the franchisee’s franchisor may restrict the installation of a tank on leased premises of such franchisor;

“(B) converting an existing tank or pump on the premises of the franchisee for renewable fuel use, so long as such tank or pump and the piping connecting them are either warranted by the manufacturer or certified by a recognized standards setting organization to be suitable for use with such renewable fuel;

“(C) advertising (including through the use of signage) the sale of any renewable fuel;

“(D) selling renewable fuel in any specified area on the premises of the franchisee (including any area in which a name or logo of a franchisor or any other entity appears);

“(E) purchasing renewable fuel from sources other than the franchisor if the franchisor does not offer its own renewable fuel for sale by the franchisee;

“(F) listing renewable fuel availability and prices, including on service station signs, fuel dispensers, or light poles; or

“(G) allowing for payment of renewable fuel with a credit card.

“(2) Effect of Provision.—Nothing in this section shall be construed to preclude a franchisor from requiring the franchisee to place it appears and inserting ‘102, 103, or 107’.”
the safe transportation of ethanol in pipelines dedicated to the transportation of ethanol; or

means of mitigating the risk;

to the transportation of ethanol, including technical, siting, financing, and regulatory barriers;

market risk (including throughput risk) and means of mitigating the risk;

regulatory, financing, and siting options that would mitigate the risk and help ensure the construction of 1 or more pipelines dedicated to the transportation of ethanol, including technical, siting, financing, and regulatory barriers;

financial incentives that may be necessary for the construction of pipelines dedicated to the transportation of ethanol, including the return on equity that sponsors of the initial dedicated ethanol pipelines will require for such pipelines;

factors that may compromise the safe transportation of ethanol in pipeline
(aa) the head of a State, tribal, or local government or a metropolitan transportation authority, or any combination of those entities; and

(b) a registered participant in the Vehicle Technology Development Program of the Department;

and

(ii) includes

(a) a description of the project proposed in the application, including the ways in which the project meets the requirements of this subsection;

(bb) a description of the degree of use of the project, including the estimated size of fleet of vehicles operated with renewable fuels blend infrastructure available within the geographic region of the corridor, measured as a total quantity and a percentage;

(cc) an estimate of the potential petroleum displacement as a result of the project (measured as a total quantity and a percentage), and a plan to collect and disseminate petroleum displacement and other relevant data relating to the project to be funded under the grant, over the expected life of the project;

(dd) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant;

(ee) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project; and

(ff) a description of which costs of the project are supported by Federal assistance under this subsection.

(B) PARTNERS.—An applicant under subparagraph (A) may carry out a project under the pilot program in partnership with public and private entities.

(4) SELECTION CRITERIA.—In evaluating applications under the pilot program, the Secretary shall:

(A) consider the experience of each applicant with previous, similar projects; and

(B) give priority consideration to applications that—

(i) are most likely to maximize displacement of petroleum consumption, measured as a total quantity and a percentage;

(ii) are best able to incorporate existing infrastructure while maximizing, to the extent practicable, the use of advanced biofuels;

(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 with Federal assistance under this subsection is completed;

(iv) represent a partnership of public and private entities; and

(v) meet the minimum requirements of paragraph (3)(A)(ii).

(5) PILOT PROJECT REQUIREMENTS.—

(A) MAXIMUM AMOUNT.—The Secretary shall provide not more than $20,000,000 in Federal assistance under the pilot program to any applicant.

(B) COST SHARING.—The non-Federal share of theSecretary's share relating to renewable fuel blend infrastructure development carried out using funds from a grant under this subsection shall be not less than 20 percent.

(C) MAXIMUM PERIOD OF GRANTS.—The Secretary shall not provide funds to any applicant under the pilot program for more than 2 years.

(D) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of project sites funded by grants under this subsection.

(E) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(6) SCHEDULE.—

(A) INITIAL REPORTS.—

(i) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers appropriate, a notice and request for applications to carry out projects under the pilot program.

(ii) DEADLINE.—An application described in clause (i) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that clause.

(iii) IRRITABLE RESPONSE.—Not later than 90 days after the date by which applications for grants are due under clause (i), the Secretary shall select by competitive, peer-reviewed proposal up to 5 applications for projects to be awarded a grant under the pilot program.

(B) ADDITIONAL GRANTS.—

(i) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers appropriate, a notice and request for additional applications to carry out projects under the pilot program that incorporate the information and knowledge gained through the implementation of the first round of projects authorized under the pilot program.

(ii) DEADLINE.—An application described in clause (i) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that clause.

(iii) INITIAL SELECTION.—Not later than 90 days after the date that applications for grants are due under clause (i), the Secretary shall select by competitive, peer-reviewed proposal such additional applications for projects to be awarded a grant under the pilot program as the Secretary determines to be appropriate.

(7) REPORTS TO CONGRESS.—

(A) INITIAL REPORTS.—Not later than 60 days after the date on which grants are awarded under this subsection, the Secretary shall submit to Congress a report containing—

(i) a list of the grant recipients and a description of the projects to be funded under the pilot program;

(ii) an identification of other applicants that submitted applications for the pilot program but to which funding was not provided; and

(iii) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(B) EVALUATION.—Not later than 2 years after the date of enactment of this Act, and annually thereafter until the termination of the pilot program, the Secretary shall submit to Congress a report containing an evaluation of the effectiveness of the pilot program, including an assessment of the petroleum displacement and benefits to the environment derived from the projects included in the pilot program.

(e) RESTRICTION.—No grant shall be provided under subsection (b) or (c) to a large, vertically integrated oil company.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $200,000,000 for each of the fiscal years 2008 through 2014.
each Federal fleet fueling center in the United States under the jurisdiction of the head of the Federal agency.

(b) REPORT.—Not later than October 31 of the first calendar year beginning after the date of the enactment of this Act, and each October 31 thereafter, the President shall submit to Congress a report that describes the progress toward complying with sub-
section (a) of this section.

(1) the number of Federal fleet fueling centers that contain at least 1 renewable fuel pump;

(2) the number of Federal fleet fueling centers that do not contain any renewable fuel pumps.

(c) DEPARTMENT OF DEFENSE FACILITY.—

This section shall not apply to a Department of Defense fueling center with a fuel turn-over rate of less than 100,000 gallons of fuel per year.

(d) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 247. STANDARD SPECIFICATIONS FOR BIO-
DIESEL.—

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by redesignating subsection (a) as subsection (t), redesignating subsection (t) as subsection (3), removing paragraph (36), and inserting in lieu thereof:

(3) Whenever the Administrator is re-
quired to rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification number so that vehicle manu-
facturers are able to design engines to use fuel meeting such standard.

(2) Unless the American Society for Test-
ing and Materials has adopted a standard for fuel containing 5 percent biodiesel (commonly known as ‘BD5’) within 1 year after the date of enactment of this sub-
section, the Administrator shall initiate a rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification number so that vehicle manu-
facturers are able to design engines to use fuel meeting such standard.

(3) Whenever the Administrator is re-
quired to initiate a rulemaking under para-
graph (1) or (2), the Administrator shall pro-
mulgate a final rule within 18 months after the date of enactment of this sub-
section.

(4) Not later than 180 days after the en-
actment of this subsection, the Admin-
istrator shall establish an annual inspection and enforcement program to ensure that diesel fuel containing biodiesel sold or distrib-
uted in interstate commerce meets the standards established under regulations under this section, including testing and cer-
tification for compliance with applicable standards of the American Society for Test-
ing and Materials. There are authorized to be appropriated such sums as are necessary to carry out the inspection and enforcement program under this paragraph $3,000,000 for each of fiscal years 2008 through 2010.

(5) For purposes of this subsection, the term ‘biodiesel’ has the meaning provided by section 312(f) of Energy Policy Act of 1992 (42 U.S.C. 13220(f)).

SEC. 248. BIOFUELS DISTRIBUTION AND AD-
VANCED BIOFUELS INFRASTRUCT.

(a) IN GENERAL.—The Secretary, in coordi-
nation with the Administrator of Energy Policy and Conservation Act (42 U.S.C. 7545(f)) is amended by adding at the end the following:

(b) FOCUS.—The program described in sub-
section (a) shall focus on the physical and chemical properties of biofuels and efforts to prevent or mitigate against adverse impacts of those properties in the areas of—

(1) corrosion of metal, plastic, rubber, cork, fiber, glass, or any other material used in pipes and storage tanks;

(2) dissolving of storage tank sediments;

(3) clogging of filters;

(4) contamination from water or other adul-
terants or pollutants;

(5) poor flow properties related to low tem-
peratures;

(6) oxidative and thermal instability in long-term storage and use;

(7) microbial contamination;

(8) problems associated with electrical con-
ductivity; and

(9) such other areas as the Secretary con-
siders appropriate.

Subtitle D—Environmental Safeguards

SEC. 251. WAIVER FOR FUEL OR FUEL ADDITIVES.

Section 211(f)(4) of the Clean Air Act (42 U.S.C. 7545(f)) is amended to read as follows:

(4) The Administrator, upon application of any manufacturer of any fuel or fuel additive, may waive the prohibitions established under paragraph (1) or (3) of this subsection or the limitation specified in paragraph (2) of this subsection, if the applicant has established that such fuel or fuel additive is not cause or contribute to a failure of any emission control device or sys-
tem (over the useful life of the motor vehi-
cle, motor vehicle engine, nonroad engine or nonroad vehicle in which such device or sys-
tem is used) to achieve compliance by the vehicle or engine with the emission stand-
ards with respect to which it has been cer-
tified pursuant to sections 206 and 213(a). The Administrator shall take final action to grant or deny an application submitted under this paragraph, after public notice and comment, within 270 days of the receipt of such an application.

TITLE III—ENERGY SAVINGS THROUGH IMPROVED STANDARDS FOR APPLIANCE AND LIGHTING

Subtitle A—Appliance Energy Efficiency

SEC. 301. EXTERNAL POWER SUPPLY EFFICIENCY

STANDARDS.

(a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by adding—

(1) in paragraph (36)—

(A) by striking ‘‘(36) The’’ and inserting the fol-
lowing:

‘‘(36) EXTERNAL POWER SUPPLY.—

‘‘(A) IN GENERAL.—The’’; and

(B) by adding at the end the following:

‘‘(B) ACTIVE MODE.—The term ‘active mode’ means the mode of operation when an exter-
nal power supply is connected to the main electricity supply and the output is con-
nected to a load.

‘‘(C) CLASS A EXTERNAL POWER SUPPLY.—

‘‘(1) IN GENERAL.—The term class A exter-
nal power supply means a device that—

(I) is designed to convert line voltage AC input into lower voltage AC or DC output;

(II) is able to convert to only 1 AC or DC output voltage at a time;

(III) is sold with, or intended to be used with, a separate end-use product that con-
stitutes the primary load;

(IV) is contained in a separate physical enclosure from the end-use product;

(V) is connected to the end-use product via a removable or hard-wired male/female electrical connection, cable, cord, or other wiring; and

(VI) has nameplate output power that is less than or equal to 250 watts.

(ii) EXCLUSIONS.—The term class A exter-
nal power supply does not include any de-
vice that—

(I) requires Federal Food and Drug Ad-
ministration listing and approval as a med-
ical device in accordance with section 515 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b); or

(II) powers the charger of a detachable battery pack or charges the battery of a product that is fully or primarily motor op-
erated.

‘‘(D) NO-LOAD MODE.—The term ‘no-load mode’ means the mode of operation when an external power supply is connected to the main electricity supply and the output is not connected to a load.; and

(2) by adding at the end the following:

‘‘(2) by adding at the end the following:

‘‘(3) The term ‘detachable battery’ means a battery that is—

(A) contained in a separate enclosure from the product; and

(B) intended to be removed or discon-
ncencted from the product for recharging.

(b) TEST PROCEDURES.—Section 322(b) of the Energy Policy and Conservation Act (42 U.S.C. 6292(b)) is amended by adding at the end the following:

‘‘(7) CLASS A EXTERNAL POWER SUPPLIES.—

The test is executed by charging the class A external power supply shall be based on the ‘Test Method for Calculating the Energy Efficiency of Single-Voltage External AC-DC and AC-AC Power Supplies’ published by the Environmental Protection Agency on August 11, 2004, except that the test voltage specified in section 4(d) of that test method shall be only 115 volts, 60 Hz.’’.

(c) EFFICIENCY STANDARDS FOR CLASS A EX-
TERNAL POWER SUPPLIES.—

Section 325(u) of the Energy Policy and Conservation Act (42 U.S.C. 6296(u)) is amended by adding at the end the following:

‘‘(6) EFFICIENCY STANDARDS FOR CLASS A EX-
TERNAL POWER SUPPLIES.—

A.) IN GENERAL.—Subject to subparagraphs (B) through (D), a class A external power supply manufactured on or after the later of July 1, 2008, or the date of enactment of this paragraph shall meet the following standards:

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(B) NONCOVERED SUPPLIES.—A class A external power supply shall not be subject to subparagraph (A) if the class A external power supply is—

(i) manufactured during the period beginning on July 1, 2008, and ending on June 30, 2015; and

(ii) made available by the manufacturer as a service part or a spare part for an end-use product.

(C) MARKING.—Any class A external power supply manufactured on or after July 1, 2008 or the date of enactment of this title shall be clearly and permanently marked in accordance with the External Power Supply International Efficiency Marking Protocol, as referenced in the Energy Star Program Requirements for Single Voltage External AC-DC and AC-AC Power Supplies, version 1.1 published by the Environmental Protection Agency.

(D) AMENDMENT OF STANDARDS.—

(i) FINAL RULE BY JULY 1, 2011.—

(ii) IN GENERAL.—Not later than July 1, 2011, the Secretary shall publish a final rule to determine whether the standards established under subparagraph (A) should be amended.

(E) ADMINISTRATION.—The final rule shall—

(aa) contain any amended standards; and

(bb) apply to products manufactured on or after July 1, 2013.

(F) NONLOAD MODE.—The requirements of paragraph (3) shall be amended.


differentiate heat load produces a corresponding incremental change in the temperature of water supplied.

(B) AUTOMATIC MEANS FOR ADJUSTING WATER TEMPERATURE.—

(i) In general.—The manufacturer shall equip each gas, oil, and electric hot water boiler (other than a boiler equipped with a tankless domestic water heating coil) with automatic means for adjusting the temperature of the water supplied by the boiler to ensure that an incremental change in the heat load produces a corresponding incremental change in the temperature of water supplied.

(ii) Single input rate.—For a boiler that fires at a input rate, the requirements of this subparagraph may be satisfied by providing an automatic means that allows the burner or heating element to fire only when the heat load cannot be met by the residual heat of the water in the system.

(iii) No inferred heat load.—When there is no inferred heat load with respect to a hot water boiler, the automatic means described in clause (i) and (ii) shall limit the temperature of the water in the boiler to not more than 140 degrees Fahrenheit.

(iv) Operation.—A boiler described in clause (i) or (ii) shall be operable only when the automatic means described in clauses (i), (ii), and (iii) is installed.

(C) Exception.—A boiler that is manufactured to operate without any need for electric power or any electric connection, electric gauges, electric pumps, electric wires, or electric devices shall not be required to meet the requirements of this paragraph.

SEC. 304. FURNACE FAN STANDARD PROCESS.

Paragraph (4)(D) of section 325(f) of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)) (as redesignated by section 303(4)) is amended by striking “the Secretary may” and inserting “not later than December 31, 2013, the Secretary shall”.

SEC. 305. IMPROVING SCHEDULE FOR STANDARDS UPDATING AND CLARIFYING STATE AUTHORITY.

(a) Consumer Appliances.—Section 325 of the Energy Policy and Conservation Act (42
U.S.C. 6296) is amended by striking subsection (m) and inserting the following:

“(m) Amendment of Standards.—

“(1) In General.—Not later than 6 years after the date of a final rule establishing or amending a standard, as required for a product under this part, the Secretary shall publish

“(A) a notice of the determination of the Secretary that standards for the product do not need to be amended, based on the criteria established under subsection (n)(2); or

“(B) a notice of proposed rulemaking including new proposed standards based on the criteria established under subsection (n) and the procedures established under subsection (p).

“(2) Notice.—If the Secretary publishes a notice under paragraph (1), the Secretary shall—

“(A) publish a notice stating that the analysis of the Department is publicly available; and

“(B) provide an opportunity for written comment.

“(n) Amendment of Standard: New Determination.—

“(1) Amendment of Standard.—Not later than 2 years after a notice is issued under paragraph (1)(B), the Secretary shall publish a final rule amending the standard for the product.

“(2) New Determination.—Not later than 3 years after a determination under paragraph (1)(A) or (B), the Secretary shall make a new determination and publication under subparagraph (A) or (B) of paragraph (1).

“(o) Application to Products.—

“(1) In General.—Except as provided in subparagraph (B), an amendment prescribed under this subsection shall apply to—

“(i) with respect to refrigerators, refrigeration equipment, room air conditioners, washers, dryers, dishwashers, clothes washers, clothes dryers, fluorescent lamp ballasts, and kitchen ranges and ovens, such a product that is manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard; and

“(ii) with respect to central air conditioners, heat pumps, water heaters, pool heaters, direct heating equipment, and furnaces, such a product that is manufactured after the date that is 5 years after publication of the final rule establishing an applicable standard.

“(2) Other New Standards.—A manufacturer shall not be required to apply new standards to a product with respect to which other new standards have been required during the prior 6-year period.

“(p) Reconsideration.—The Secretary shall promptly submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate—

“(1) a report every 180 days on compliance with this section, including a specific plan to remedy any failures to comply with deadlines for action established under this paragraph;

“(2) all required reports to the Court or to any party to the Consent Decree in State of New York v. Bodman Consolidated Civil Actions No. 05 Civ. 7807 and No. 05 Civ. 7808; and

“(3) a report to the Congress in a single paragraph under this paragraph.

“(q) Amendment of Standard: New Determination.—

“(1) Notice.—If the Secretary publishes a notice under notice under clause (i), the Secretary shall—

“(i) publish a notice stating that the analysis of the Department is publicly available; and

“(ii) provide an opportunity for written comment.

“(r) Amendment of Standard: New Determination.—

“(1) Amendment of Standard.—Not later than 2 years after a notice is issued under clause (i) of this section, the Secretary shall publish a final rule amending the standard for the product.

“(2) New Determination.—Not later than 3 years after a determination under clause (i), the Secretary shall make a new determination and publication under clause (i) or (II) of clause (i).

“(s) Application to Products.—An amendment prescribed under this subsection shall apply to products manufactured after a date that is the later of—

“(1) the date that is 3 years after publication of the final rule establishing a new standard; or

“(2) the date that is 6 years after the effective date of the current standard for a covering category after issuance of any final rule establishing a new standard.

“(t) Reports.—The Secretary shall promptly submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a progress report every 180 days on compliance with the standards and a plan to remedy any failures to comply with deadlines for action established under this paragraph.

“SEC. 306. REGIONAL STANDARDS FOR FURNACES, CENTRAL AIR CONDITIONERS, AND HEAT PUMPS.

“(a) In General.—Section 325(o) of the Energy Policy and Conservation Act (42 U.S.C. 6295(o)) is amended by adding at the end the following:

“(6) Regional Standards.—If the Secretary establishes regional standards for a product, the Secretary may establish more restrictive standards for the product by geographic region as follows:

“(1) For furnaces, the Secretary may establish an additional standard that is applicable in a geographic region defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(ii) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“SEC. 307. DELETION OF REFERENCES.

“(a) In General.—If the Secretary establishes a regional standard for a product, the Secretary shall establish a base national standard for the product.

“(b) National Standards.—If the Secretary establishes a regional standard for a product, the Secretary may establish more restrictive standards for the product by geographic region as follows:

“(1) For furnaces, the Secretary may establish an additional standard that is applicable in a geographic region defined by the Secretary.

“(2) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

“(3) Boundaries of Geographic Regions.—

“(1) In General.—Subject to clause (ii), the boundaries of additional geographic regions established by the Secretary under this paragraph shall include only contiguous States.

“(2) Alaska and Hawaii.—The States of Alaska and Hawaii may be included under this paragraph in a geographic region that the States are not contiguous to.

“(3) Individual States.—Individual States shall be placed only into a single region under this paragraph.

“(3) Individual States.—Individual States shall be placed only into a single region under this paragraph.

“SEC. 308. DEFINITION OF TERMS.

“(a) In General.—These regulations shall include the following definitions:

“(b) Any product that is manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard.

“(c) Other New Standards.—A manufacturer shall not be required to apply new standards to a product with respect to which other new standards have been required during the prior 6-year period.

“(d) Reconsideration.—The Secretary shall promptly submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate—

“(i) a report every 180 days on compliance with this section, including a specific plan to remedy any failures to comply with deadlines for action established under this paragraph;

“(ii) all required reports to the Court or to any party to the Consent Decree in State of New York v. Bodman Consolidated Civil Actions No. 05 Civ. 7807 and No. 05 Civ. 7808;

“(3) a report to the Congress in a single paragraph under this paragraph.

“(e) Amendment of Standard: New Determination.—

“(1) Notice.—If the Secretary publishes a notice under clause (i), the Secretary shall—

“(i) publish a notice stating that the analysis of the Department is publicly available; and

“(ii) provide an opportunity for written comment.

“(f) Amendment of Standard: New Determination.—

“(1) Amendment of Standard.—Not later than 2 years after a notice is issued under clause (i) of this section, the Secretary shall publish a final rule amending the standard for the product.

“(2) New Determination.—Not later than 3 years after a determination under clause (i), the Secretary shall make a new determination and publication under clause (i) or (II) of clause (i).

“(g) Application to Products.—An amendment prescribed under this subsection shall apply to products manufactured after a date that is the later of—

“(1) the date that is 3 years after publication of the final rule establishing a new standard; or

“(2) the date that is 6 years after the effective date of the current standard for a covering category after issuance of any final rule establishing a new standard.

“(h) Reports.—The Secretary shall promptly submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a progress report every 180 days on compliance with the standards and a plan to remedy any failures to comply with deadlines for action established under this paragraph.

“SEC. 309. DELETION OF REFERENCES.

“(a) In General.—Section 325(o) of the Energy Policy and Conservation Act (42 U.S.C. 6295(o)) is amended by adding at the end the following:

“(b) National Standards.—If the Secretary establishes a regional standard for a product, the Secretary shall establish a base national standard for the product.

“(c) Boundaries of Geographic Regions.—

“(1) In General.—Subject to clause (ii), the boundaries of additional geographic regions established by the Secretary under this paragraph shall include only contiguous States.

“(2) Alaska and Hawaii.—The States of Alaska and Hawaii may be included under this paragraph in a geographic region that the States are not contiguous to.

“(3) Individual States.—Individual States shall be placed only into a single region under this paragraph.

“(e) Application: Effective Date.—

“(i) Base National Standard.—Any base national standard established for a product under this paragraph shall—

“(1) be the minimum standard for the product; and

“(2) apply to all products manufactured or imported into the United States on and after the effective date for the standard.

“(g) Repeal.—Except as provided in subsection (b), the amendments made by this section shall apply—

“(1) in general—

“(A) not later than 5 years after publica-
(F) CONTINUATION OF REGIONAL STANDARDS.—

(i) IN GENERAL.—In any subsequent rulemaking for any product for which a regional standard has been previously established, the Secretary shall determine whether to continue the establishment of separate regional standards for the product.

(ii) AN EXISTING REGIONAL STANDARD NO LONGER APPROPRIATE.—Except as provided in clause (iii), if the Secretary determines that regional standards are no longer appropriate for a product beginning on the effective date of the amended standard for the product—

(I) there shall be 1 base national standard for the product with Federal enforcement; and

(II) State authority for enforcing a regional standard for the product shall terminate.

(iii) REGIONAL STANDARD APPROPRIATE BUT STANDARD OR REGION REVISED.—

(I) STATE NO LONGER CONTAINED IN REGION.—Subject to subclause (III), if a State is no longer contained in a region in which a regional standard that is more stringent than the base national standard applies, the authority of the State to enforce the regional standard shall terminate.

(II) REGION REVISED SO THAT EXISTING REGIONAL STANDARD EQUALS BASE NATIONAL STANDARD.—If the Secretary revises a base national standard for a product or the geographic definition of a region so that an existing regional standard for a State is equal to the revised base national standard—

(aa) the authority of the State to enforce the regional standard shall terminate on the effective date of the revised base national standard; and

(bb) the State shall be subject to the revised base national standard.

(III) STANDARD OR REGION REVISED SO THAT THE REGIONAL STANDARD NO LONGER APPLIES.—If the Secretary revises a base national standard for a product or the geographic definition of a region so that an existing regional standard for a State is lower than the previously approved regional standard, the State may continue to enforce the previously approved standard level.

(iv) FEDERAL PREEMPTION.—Nothing in this paragraph diminishes the authority of a State to enforce a State regulation for which a waiver of Federal preemption has been granted under section 327(d).

(G) ENFORCEMENT.—

(i) BASE NATIONAL STANDARD.—(I) IN GENERAL.—The Secretary shall enforce a base national standard.

(ii) TRADE ASSOCIATION CERTIFICATION PROGRAMS.—In enforcing the base national standard, the Secretary shall use, to the maximum extent practicable, national standard nationally recognized certification programs of trade associations.

(iii) REGIONAL STANDARDS.—(I) ENFORCEMENT PLAN.—Not later than 90 days after the date of the issuance of a final rule that establishes a regional standard, the Secretary shall initiate a rulemaking to develop and implement an effective enforcement plan for regional standards for the products that are covered by the final rule.

(II) RESPONSIBLE ENTITIES.—Any rules regarding a regional standard shall clearly specify which entities are legally responsible for compliance with the standards and for making any required information available.

(III) FINAL RULE.—Not later than 15 months after the date of the issuance of a final rule that establishes a regional standard for a product, the Secretary shall promulgate a final rule covering enforcement of regional standards for the product.

(iv) INCORPORATION BY STATES AND LOCALITIES.—A State or locality may incorporate any Federal regional standard into State or local building codes or State appliance standards.

(v) STATE ENFORCEMENT.—A State agency may seek enforcement of a Federal regional standard in a Federal court of competent jurisdiction.

(vi) INFORMATION DISCLOSURE.—

(I) IN GENERAL.—Not later than 90 days after the date of the publication of a final rule establishing a regional standard for a product, the Federal Trade Commission shall undertake a rulemaking to determine the appropriate 1 or more methods for disclosing information to consumers, distributors, contractors, and installers that can easily determine whether a specific piece of equipment that is installed in a specific building is in conformance with the regional standard that applies to the building.

(II) METHODS.—A method of disclosing information under clause (i) may include—

(A) modifications to the Energy Guide label; or

(B) other methods that make it easy for consumers and installers to use and understand at a glance the energy efficiency of a covered product.

(vii) COMPLETION OF RULEMAKING.—The rulemaking shall be completed not later than 15 months after the date of the publication of a final rule establishes a regional standard for a product.

(b) PROHIBITED ACTS.—Section 322(a) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)) is amended—

(1) in paragraph (4), by striking "or after" the semicolon at the end;

(2) in paragraph (5), by striking "part," and inserting "part, except to the extent that the new covered product is covered by a regional standard that is more stringent than the base national standard; or"; and

(3) by adding the following:

(A) for any manufacturer or private labeler to knowingly sell a product to a distributor, dealer, or contractor, or deliver with knowledge that the entity routinely violates any regional standard applicable to the product;

(ii) CONSIDERATION OF PRICES AND OPERATING PATTERNS.—Section 322(a)(6)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)(6)(B)) is amended by adding at the end the following:

(A) CONSIDERATION OF PRICES AND OPERATING PATTERNS.—If the Secretary is considering revised standards for air-cooled 3-phase central air conditioning heat pumps with 65,000 Btu per hour (cooling capacity), the Secretary shall use commercial energy prices and operating patterns associated with the recommended standards.

(iii) CONSIDERATION OF PRICES AND OPERATING PATTERNS.—If the Secretary is considering revised standards for air-cooled 3-phase central air conditioning heat pumps with 65,000 Btu per hour (cooling capacity), the Secretary shall use commercial energy prices and operating patterns in all analyses conducted by the Secretary.

SEC. 307. PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.

Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)) is amended—

(1) by striking paragraph (1); and

(2) by redesigning paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

SEC. 308. EXPEDITED RULEMAKINGS.

(a) PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.—Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)) as amended by section 307 is amended by adding at the end the following:

(4) EXPEDITED RULEMAKING.

(A) IN GENERAL.—On receipt of a statement that is submitted jointly by interested parties that are fairly representative of relevant points of view (including representatives of manufacturers of covered products, States, and efficiency advocates), as determined by the Secretary, and contains recommendations with respect to an energy or water conservation standard—

(i) if the Secretary determines that the recommended standard in the statement is in accordance with subsection (o) or section 322(a)(6)(B), as applicable, the Secretary may issue a final rule that establishes a recommended energy or water conservation standard and is published simultaneously with a notice of proposed rulemaking that proposes a new or amended energy or water conservation standard; and

(ii) if the Secretary determines that a direct final rule cannot be issued based on the statement, the Secretary shall publish a notice of the determination, together with an explanation of the reasons for the determination.

(b) PUBLIC COMMENT.—The Secretary shall solicit public comment for a period of at least 110 days with respect to each direct final rule issued by the Secretary under subparagraph (A)(i).

(c) WITHDRAWAL OF DIRECT FINAL RULES.—

(i) IN GENERAL.—Not later than 120 days after the date on which a direct final rule issued under subparagraph (A)(i) is published in the Federal Register, the Secretary shall withdraw the direct final rule if—

(I) the Secretary receives 1 or more additional public comments relating to the direct final rule under subparagraph (B)(i) or any alternative joint recommendation; and

(II) based on the rulemaking record relating to the direct final rule, the Secretary determines that such additional public comments or alternative joint recommendation may provide a reasonable basis for withdrawing the direct final rule under subsection (o), section 322(a)(6)(B), or any other applicable law.

(ii) ACTION ON WITHDRAWAL.—On withdrawal of a direct final rule under clause (i), the Secretary shall—

(I) proceed with the notice of proposed rulemaking published simultaneously with the direct final rule as described in subparagraph (B)(i) or any alternative joint recommendation; and

(II) publish in the Federal Register the reasons why the direct final rule was withdrawn.

(iii) TREATMENT OF WITHDRAWN DIRECT FINAL RULES.—A direct final rule that is withdrawn under clause (i) shall not be considered a final rule for purposes of subsection (o).

(d) EFFECT OF PARAGRAPH.—Nothing in this paragraph authorizes the Secretary to issue a direct final rule based solely on receipt of more than 1 statement containing recommended standards relating to the direct final rule.

(b) CONFORMING AMENDMENT.—Section 345(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6316(b)(1)) is amended in the first sentence by inserting “section 325(p)” after “the provisions of”.

SEC. 309. BATTERY CHARGERS.


(1) by striking “(E)(i) Not” and inserting the following:

(2) by striking “external power supplies and battery chargers” and inserting “battery chargers”;

(3) by striking “(i)” and inserting the following:

(4) by adding at the end the following: ——
"(II) BATTERY CHARGERS.—Not later than July 1, 2011, the Secretary shall issue a final rule that prescribes energy conservation standards for battery chargers or classes of battery chargers or determine that no energy conservation standard is technically feasible and economically justified.",

**SEC. 310. STANDBY MODE.**

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6265) is amended—

(1) in subsection (u)—

(A) by striking paragraphs (2), (3), and (4); and

(B) by redesignating paragraph (5) and (6) as paragraphs (2) and (3), respectively;

(2) by redesignating subsection (gg) as subsection (hh); and

(3) by inserting after subsection (ff) the following:

"(gg) STANDBY MODE ENERGY USE.—

(1) DEFINITIONS.—

(A) In general.—Unless the Secretary determines otherwise pursuant to subparagraph (B), in this subsection:

(i) the term ‘active mode’ means the condition in which an energy-using product—

(I) is connected to a main power source;

(II) has been activated; and

(III) offers 1 or more main functions.

(ii) the term ‘off mode’ means the condition in which an energy-using product—

(I) is connected to a main power source; and

(II) is not providing any standby or active mode function.

(iii) STANDBY MODE.—The term ‘standby mode’ means the condition in which an energy-using product—

(I) is connected to a main power source; and

(II) offers 1 or more of the following user-oriented or protected functions:

(aa) To facilitate the activation or deactivation of other functions (including active mode) by remote switch (including remote control), internal sensor, or timer.

(bb) Continuous functions, including information or status displays (including clocks) and sensor-based functions.

(B) AMENDED DEFINITIONS.—The Secretary may, by rule, amend the definitions under subparagraph (A), taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission.

(2) TEST PROCEDURES.—

(A) IN GENERAL.—Test procedures for all covered products shall be amended pursuant to section 323 to include standby mode and off mode energy consumption, taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission, with such energy consumption integrated into the overall energy efficiency, energy consumption, or other energy descriptor for each covered product, unless the Secretary determines that—

(i) the current test procedures for a covered product already fully account for and incorporate the standby mode and off mode energy consumption of the covered product; or

(ii) such an integrated test procedure is technically infeasible for a particular covered product, in which case the Secretary shall prescribe a separate standby mode and off mode energy use test procedure for the covered product, if technically feasible;

(B) DEADLINES.—The test procedure amendments required by subparagraph (A) shall be prescribed in a final rule no later than December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2012, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2013, and dehumidifiers manufactured on or after October 1, 2012, shall have an Energy Factor that meets or exceeds the following values:

<table>
<thead>
<tr>
<th>Product Capacity (pints/day):</th>
<th>Minimum Energy Factor (liters/KWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 35.00</td>
<td>3.50</td>
</tr>
<tr>
<td>35.01-45.00</td>
<td>3.10</td>
</tr>
<tr>
<td>45.01-54.00</td>
<td>2.80</td>
</tr>
<tr>
<td>54.01-75.00</td>
<td>2.50</td>
</tr>
<tr>
<td>Greater than 75.00</td>
<td>2.50</td>
</tr>
</tbody>
</table>

(2) RESIDENTIAL CLOTHES WASHERS AND RESIDENTIAL DISHWASHERS.—Section 325(g) of the Energy Policy and Conservation Act (42 U.S.C. 6265(g)) is amended by adding at the end the following:

"(9) RESIDENTIAL CLOTHES WASHERS MANUFACTURED ON OR AFTER JANUARY 1, 2011.—

(A) IN GENERAL.—A top-loading or front-loading standard-size residential clothes washer manufactured on or after January 1, 2011, shall have—

(i) a Modified Energy Factor of at least 1.26; and

(ii) a water factor of not more than 9.5.

(B) AMENDMENT OF STANDARDS.—

(i) In general.—Not later than December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards in effect for clothes washers manufactured on or after January 1, 2011, shall have—

(ii) a Modified Energy Factor of at least 1.26; and

(B) AMENDMENT OF STANDARDS.—

(i) In general.—Not later than December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards in effect for clothes washers manufactured on or after January 1, 2011, shall have—

(ii) a Modified Energy Factor of at least 1.26; and

(10) RESIDENTIAL DISHWASHERS MANUFACTURED ON OR AFTER JANUARY 1, 2011.—

(A) IN GENERAL.—A dishwasher manufactured on or after January 1, 2011, shall—

(i) for a standard size dishwasher not exceed 355 kWh/year and 6.5 gallon per cycle; and

(ii) for a compact size dishwasher not exceed 260 kWh/year and 4.5 gallon per cycle.

(B) AMENDMENT OF STANDARDS.—

(i) In general.—Not later than January 1, 2015, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2011, shall have—

(ii) a Modified Energy Factor of at least 1.26; and

(11) DEHUMIDIFIERS.—Section 323(cc) of the Energy Policy and Conservation Act (42 U.S.C. 6265(cc)) is amended by striking paragraph (2) and inserting the following:

"(2) DEHUMIDIFIERS MANUFACTURED ON OR AFTER OCTOBER 1, 2012.—Dehumidifiers manufactured on or after October 1, 2012, shall have an Energy Efficiency Ratio that meets or exceeds the following values:

<table>
<thead>
<tr>
<th>Product Capacity (liters/KWh)</th>
<th>Minimum Energy Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>300-399</td>
<td>1.50</td>
</tr>
<tr>
<td>400-499</td>
<td>1.60</td>
</tr>
<tr>
<td>500-599</td>
<td>1.70</td>
</tr>
<tr>
<td>Greater than 600</td>
<td>2.00</td>
</tr>
</tbody>
</table>

(12) ENERGY STAR.—Section 324A(d)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6269a(d)(2)) is amended by striking ""January 1, 2010"" and inserting ""July 1, 2009"".

**SEC. 311. ENERGY STANDARDS FOR HOME APPLIANCES.**

(a) APPLIANCES.—

(1) DEHUMIDIFIERS.—Section 323(cc) of the Energy Policy and Conservation Act (42 U.S.C. 6265(cc)) is amended by striking paragraph (2) and inserting the following:

"(2) DEHUMIDIFIERS MANUFACTURED ON OR AFTER OCTOBER 1, 2012.—Dehumidifiers manufactured on or after October 1, 2012, shall have an Energy Efficiency Ratio that meets or exceeds the following values:

<table>
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</tr>
<tr>
<td>Greater than 600</td>
<td>2.00</td>
</tr>
</tbody>
</table>

(b) ENERGY STAR.—Section 324A(d)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6269a(d)(2)) is amended by striking ""January 1, 2010"" and inserting ""July 1, 2009"".

**SEC. 312. WALK-IN COOLERS AND WALK-IN FREEZERS.**

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended—

(1) in paragraph (1)—

(A) by redesigning subparagraphs (G) through (K) as subparagraphs (G) through (L), respectively; and

(B) by inserting after subparagraph (F) the following:

"(G) Walk-in coolers and walk-in freezers;"

(2) by redesigning paragraphs (20) and (22) as paragraphs (21) and (22), respectively; and

(3) by inserting after paragraph (19) the following:

"(20) WALK-IN COOLER; WALK-IN FREEZER.—

(A) IN GENERAL.—The terms ‘walk-in cooler’ and ‘walk-in freezer’ mean an enclosed storage space refrigerated to temperatures,
(ii) double-pane glass with heat-reflective treated glass and gas fill; or
(iii) triple-pane glass with either heat-reflective treated glass or gas fill.

(2) The K factor of the fan of the walk-in freezer shall be based on ASTM test procedure C518-2004.

(iii) For calculating the R value for freezers, the K factor of the fan at 20°F (average foam temperature) shall be used.

(iv) For calculating the R value for coolers, the K factor of the fan at 55°F (average foam temperature) shall be used.

(1) In general.—Not later than January 1, 2010, the Secretary shall establish a test procedure to measure the energy-use of walk-in coolers and walk-in freezers.

(ii) COMPUTER MODELING.—The test procedure may be based on computer modeling, if the computer model or models have been verified using the results of laboratory tests on a significant sample of walk-in coolers and walk-in freezers.

(d) LABELING.—Section 343(e) of the Energy Policy and Conservation Act (42 U.S.C. 6315(e)) is amended by inserting “walk-in coolers and walk-in freezers,” after “commercial clothes washers,” each place it appears.

(e) ADMINISTRATION, PENALTIES, ENFORCEMENT, AND PREEMPTION.—Section 345 of the Energy Policy and Conservation Act (42 U.S.C. 6316) is amended—

(1) by striking paragraphs (B), (C), (D), (E), (F), (G), and (H) each place it appears and inserting “paragraphs (B) through (G)”;

(2) by adding at the end the following:

(B) WALK-IN COOLERS AND WALK-IN FREEZERS.—

(1) COVERED TYPES.—

(A) GENERAL.—Except as otherwise provided in this subsection, section 327 shall apply to walk-in coolers and walk-in freezers for which standards have been established under paragraphs (1), (2), (3), and (4) of section 327 of the same act, and in the same manner as the section applies under part A on the date of enactment of this subsection.

(B) STATE STANDARDS.—Any State standard prescribed before the date of enactment of this subsection shall not be preempted until the standards established under paragraph (1) and (2) of section 327(f) take effect.

(C) ADMINISTRATION.—In any case in which section 327 is applied to equipment under subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(F) FINAL RULE NOT TIMELY.—

(A) GENERAL.—If the Secretary does not issue a final rule for a specific type of walk-in cooler or walk-in freezer within the time frame established under paragraph (4) or (5) of section 327(f), subsections (b) and (c) of section 327 shall no longer apply to the specific type of walk-in cooler or walk-in freezer during the period—

(i) beginning on the date after the scheduled date for a final rule; and

(ii) continuing on the date on which the Secretary publishes a final rule covering the specific type of walk-in cooler or walk-in freezer.

(2) STATE STANDARDS.—Any State standard issued before the publication of the final rule shall not be preempted until the standards established in the final rule take effect.

(B) ADMINISTRATION.—In any case in which section 327 is applied to equipment under subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

SEC. 315. ELECTRIC MOTOR EFFICIENCY STANDARDS.

(a) DEFINITIONS.—Section 340(13) of the Energy Policy and Conservation Act (42 U.S.C. 6311(13)) is amended—

(1) by redesignating subparagraphs (B) through (G) as subparagraphs (C) through (1), respectively; and

(2) by striking “(13)(A)” and all that follows through the end of subparagraph (A) and inserting the following:

(13) ELECTRIC MOTOR.—

(A) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE 1).—The term ‘general purpose electric motor (subtype 1)’ means any motor that meets the definition of ‘General Purpose’ as established in the final rule issued

respectively, above, and at or below 32 degrees Fahrenheit that can be walked into, and has a total chilled storage area of less than 3,000 square feet.

The terms ‘walk-in cooler’ and ‘walk-in freezer’ do not include products designed and marketed exclusively for medical, scientific, or research purposes.

(b) EXCEPTION.—(1) The terms ‘walk-in cooler’ and ‘walk-in freezer’ do not include products designed and marketed exclusively for medical, scientific, or research purposes.

(ii) Energy in evaporator fan applications than those corresponding to the relative humidity and temperature corresponding to the relative humidity and temperature of door opening (for coolers).

Not later than January 1, 2010, the Secretary shall establish a test procedure to measure the energy-use of walk-in coolers and walk-in freezers.

(1) IN GENERAL.—Subject to paragraphs (2) through (5), each walk-in cooler or walk-in freezer manufactured on or after January 1, 2009, shall—

(A) have automatic door closers that firmly close all walk-in doors that have been closed to within 1 inch of full closure, except that this subparagraph shall not apply to doors wider than 3 feet 9 inches or taller than 7 feet;

(B) have strip doors, spring hinged doors, or other method of minimizing infiltration when doors are open;

(C) contain wall, ceiling, and door insulation of at least R-25 for coolers and R-32 for freezers, except that this subparagraph shall not apply to glazed portions of doors nor to structural members;

(D) contain floor insulation of at least R-28 for coolers and R-32 for freezers, except that this subparagraph shall not apply to glazed portions of doors nor to structural members;

(E) for evaporator fan motors of under 1 horsepower and less than 460 volts, use—

(ii) electronically commutated motors (brushless direct current motors); or

(ii) permanent split capacitor-type motors;

(iii) 3-phase motors; and

(G) for all interior lights, use light sources with an efficacy of 40 lumens per watt or more, including ballast losses (if any), except that light sources with an efficacy of 40 lumens per watt or less, including ballast losses (if any), may be used in conjunction with a timer or device that turns off the lights within 15 minutes of when the walk-in cooler or walk-in freezer is not occupied by people.

(2) ELECTRONICALLY COMMUTATED MOTORS.—

(A) IN GENERAL.—The requirements of paragraph (1)(E)(i) and subparagraph (A), (B), (C), (D), (F), and (G) each place it appears and in the air outside the door or to the condenser on the inner plate.

(2) E LECTRONICALLY COMMUTATED MOTORS.—

(A) IN GENERAL.—Not later than January 1, 2012, the Secretary shall publish performance-based standards for walk-in coolers and walk-in freezers that achieve the maximum improvement in the cost of energy that the Secretary determines is technologically feasible and economically justified.

(B) APPLICATION.—(1) IN GENERAL.—Except as provided in clause (ii), the standards shall apply to products described in subparagraph (A) that are manufactured beginning on the date that is 3 years after the date published.

(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.

(3) PERFORMANCE-BASED STANDARDS.—

(A) IN GENERAL.—Not later than January 1, 2012, the Secretary shall publish performance-based standards for walk-in coolers and walk-in freezers, the K factor of the foam at 55°F, and walk-in freezers that achieve the maximum improvement in energy that the Secretary determines is technologically feasible and economically justified.

(B) APPLICATION.—(1) IN GENERAL.—Except as provided in clause (ii), the standards shall apply to products manufactured beginning on the date that is 3 years after the date published.

(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.

(4) PERFORMANCE-BASED STANDARDS.—

(A) IN GENERAL.—Not later than January 1, 2012, the Secretary shall publish performance-based standards for walk-in coolers and walk-in freezers that achieve the maximum improvement in the cost of energy that the Secretary determines is technologically feasible and economically justified.

(B) APPLICATION.—(1) IN GENERAL.—Except as provided in clause (ii), the standards shall apply to products manufactured beginning on the date that is 3 years after the date published.

(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.

(5) AMENDMENT OF STANDARDS.—

(A) IN GENERAL.—Not later than January 1, 2020, the Secretary shall publish a final rule to determine if the standards established under paragraph (4) should be amended.

(B) APPLICATION.—(1) IN GENERAL.—Except as provided in clause (ii), the rule shall provide that the standards shall apply to products manufactured beginning on the date that is 3 years after the final rule is published.

(ii) DELAYED EFFECTIVE DATE.—If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.

(6) TEST PROCEDURES.—Section 343(a) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)) is amended by adding at the end the following:

(WALK-IN COOLERS AND WALK-IN FREEZERS.—

(A) IN GENERAL.—For the purpose of test procedures for walk-in coolers and walk-in freezers.

(1) The R value shall be the K factor multiplied by the thickness of the panel,

(2) The K factor shall be based on ASTM test procedure C518-2004,

(3) For calculating the R value for freezers, the K factor of the fan at 20°F (average foam temperature) shall be used,

(4) For calculating the R value for coolers, the K factor of the fan at 55°F (average foam temperature) shall be used.

(B) TEST PROCEDURE.—(1) IN GENERAL.—Not later than January 1, 2010, the Secretary shall establish a test procedure to measure the energy-use of walk-in coolers and walk-in freezers.

(ii) COMPUTER MODELING.—The test procedure may be based on computer modeling, if

the computer model or models have been verified using the results of laboratory tests on a significant sample of walk-in coolers and walk-in freezers.

(1) by striking “subparagraphs (B) through (G)” and paragraphs (C) through (1), respectively; and

(2) by striking “(13)(A)” and all that follows through the end of subparagraph (A) and inserting the following:

(13) ELECTRIC MOTOR.—

(A) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE 1).—The term ‘general purpose electric motor (subtype 1)’ means any motor that meets the definition of ‘General Purpose’ as established in the final rule issued...

(2) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE I).—A term, ‘general purpose electric motor (subtype I)’ means motors incorporating the design elements of a general purpose electric motor (subtype 1 that are configured to comply with any of the following:

(i) A U-Frame Motor.

(ii) A Design C Motor.

(iii) A close-coupled pump motor.

(iv) A vertical shaft motor, but less than 500 horsepower.

(v) A vertical solid shaft normal thrust motor (as tested in a horizontal configuration).

(vi) An 8-pole motor (900 rpm).

(vii) A poly-phase motor with voltage of not more than 600 volts (other than 230 or 460 volts).

(b) STANDARDS.—(1) AMENDMENT.—Section 342(b) of the Energy Policy and Conservation Act (42 U.S.C. 6313(b)) is amended—

(A) by inserting after subsection (b) the following:

‘‘(i) ELECTRIC MOTORS.—

‘‘(A) GENERAL PURPOSE ELECTRIC MOTORS (SUBTYPE I).—Except as provided in subparagraph (B), each general purpose electric motor (subtype I) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on the date of enactment of the Energy Independence and Security Act of 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG (2006) Table 12-11.

(B) FIRE PUMP MOTORS.—Each fire pump motor manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on the date of enactment of the Energy Independence and Security Act of 2007 shall have a nominal full load efficiency that is not less than as defined in NEMA MG-1 (2006) Table 12-11.

(C) GENERAL PURPOSE ELECTRIC MOTORS (SUBTYPE II).—Each general purpose electric motor (subtype II) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on the date of enactment of the Energy Independence and Security Act of 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG-1 (2006) Table 12-11.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) take effect on the date that is 3 years after the date of enactment of this section.

SEC. 314. STANDARDS FOR SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND HEAT PUMPS.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6313) is amended by adding at the end the following:

‘‘(22) SINGLE PACKAGE VERTICAL AIR CONDITIONER.—The term ‘single package vertical air conditioner’ means air-cooled commercial package air conditioning and heating equipment that—

(A) is factory-assembled as a single package that—

(i) has major components that are arranged vertically;

(ii) is an encased combination of cooling and optional heating components; and

(iii) is intended for exterior mounting on, adjacent interior to, or through an outside wall;

(B) is powered by a single- or 3-phase current;

(C) may contain 1 or more separate indoor grilles, outdoor louvers, various ventilation options, indoor free air discharges, ductwork, plumbing, or sleeves; and

(D) has heating components that may include electrical resistance, steam, hot water, or gas, but may not include reverse cycle refrigeration as a heating means.

‘‘(23) SINGLE PACKAGE VERTICAL HEAT PUMP.—The term ‘single package vertical heat pump’ means a single package vertical air conditioner that—

(A) uses reverse cycle refrigeration as its primary heat source; and

(B) may include supplemental heating by means of electrical resistance, steam, hot water, or gas.

(b) STANDARDS.—Section 342(a) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)) is amended—

(1) in the first sentence of each of paragraphs (1) and (2), by inserting ‘‘including single package vertical air conditioners and single package vertical heat pumps’’ after ‘‘heating equipment’’ each place it appears;

(2) in paragraph (1), by striking ‘‘but before January 1, 2010.’’ and inserting ‘‘but after the later of January 1, 2010, or the date on which the energy efficiency ratio established under paragraph (6).’’;

(3) in the first sentence of each of paragraphs (7), (8), and (9), by inserting ‘‘other than single package vertical air conditioners and single package vertical heat pumps’’ after ‘‘heating equipment’’ each place it appears;

(4) paragraph (7)–

(A) by striking ‘‘manufactured on or after January 1, 2010.’’;

(B) in each subparagraph (A), (B), and (C), by striking ‘‘equipment manufactured on or after January 1, 2010, the’’; and

(C) by adding at the end the following:

‘‘(D) FOR equipment manufactured on or after the later of January 1, 2008, or the date that is 180 days after the date of enactment of the Energy Independence and Security Act of 2007—

(i) the minimum seasonal energy efficiency ratio of air-cooled 3-phase electric central air conditioning and heating equipment manufactured on or after January 1, 2008, but less than 65,000 Btu per hour (cooling capacity), split systems, shall be 13.0;

(ii) the minimum seasonal energy efficiency ratio of air-cooled 3-phase electric central air conditioning and heating equipment manufactured on or after January 1, 2008, but less than 65,000 Btu per hour (cooling capacity), single package, shall be 13.0;

(iii) the minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning and heating equipment manufactured on or after January 1, 2008, but less than 65,000 Btu per hour (cooling capacity), split systems, shall be 7.7; and

(iv) the minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning and heating equipment manufactured on or after January 1, 2008, but less than 65,000 Btu per hour (cooling capacity), single package, shall be 7.7.’’; and

(5) by adding at the end the following:

‘‘(D) SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND SINGLE PACKAGE VERTICAL HEAT PUMPS.—

‘‘(A) IN GENERAL.—Single package vertical air conditioners and single package vertical heat pumps manufactured on or after January 1, 2010, shall meet the following standards:

(i) The minimum energy efficiency ratio of single package vertical air conditioners manufactured on or after January 1, 2010, shall have a minimum energy efficiency ratio of 14.5 (including combined heat and power units and increased use of renewable resources, including fuel).

(ii) The minimum energy efficiency ratio of single package vertical air conditioners manufactured on or after January 1, 2010, shall have a minimum energy efficiency ratio of 13.5 (including combined heat and power units and increased use of renewable resources, including fuel).

(iii) The minimum energy efficiency ratio of single package vertical air conditioners manufactured on or after January 1, 2010, shall have a minimum energy efficiency ratio of 13.0 (including combined heat and power units and increased use of renewable resources, including fuel).

(iv) The minimum energy efficiency ratio of single package vertical air conditioners manufactured on or after January 1, 2010, shall have a minimum energy efficiency ratio of 12.5 (including combined heat and power units and increased use of renewable resources, including fuel).

(v) The minimum energy efficiency ratio of single package vertical air conditioners manufactured on or after January 1, 2010, shall have a minimum energy efficiency ratio of 12.0 (including combined heat and power units and increased use of renewable resources, including fuel).

‘‘(B) HEATING EQUIPMENT.—By the date that is 3 years after the date of enactment of this paragraph, the Secretary shall review the most recently published ASHRAE/IES Standard 90.1 with respect to single package vertical air conditioners and single package vertical heat pumps in accordance with procedures established under paragraph (6).

SEC. 315. IMPROVED ENERGY EFFICIENCY FOR APPLIANCES AND BUILDINGS IN COLD CLIMATES.

(a) RESEARCH.—Section 124(c)(2) of the Energy Policy Act of 2005 (42 U.S.C. 16191(a)(2)) is amended—

(1) in subparagraph (C), by striking ‘‘and’’ at the end;

(2) in subparagraph (D), by striking the period at the end and inserting ‘‘; and’’; and

(3) by adding at the end the following:

‘‘(E) technologies to improve the energy efficiency of appliances and mechanical systems for buildings in cold climates, including combined heat and power units and increased use of renewable resources, including fuel.’’;

(b) RHRATES.—Section 124 of the Energy Policy Act of 2005 (42 U.S.C. 16182) is amended—

(1) in subsection (b)(1), by inserting ‘‘, or products with improved energy efficiency in cold climates,’’ after ‘‘residential Energy Star products’’;

(2) in subsection (e), by inserting ‘‘or product with improved energy efficiency in a cold climate,’’ after ‘‘residential Energy Star product’’ each place it appears.

SEC. 316. TECHNICAL CORRECTIONS.

(a) DEFINITION OF P96T12 LAMP.—

(2) Effective date.—The amendment made by paragraph (1) takes effect on August 8, 2005.

(b) Definition of fluorescent lamp.—Section 321(30)(B)(vii) of the Energy Policy and Conservation Act (42 U.S.C. 6291(30))(B)(vii)) is amended by striking "82" and inserting "87".

(c) Mercury vapor lamp ballasts.—

(1) Definitions.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291(30))(as amended by section 301(a)(2)) is amended —

(A) by striking paragraphs (46) through (48) and inserting the following:—

"(46) High intensity discharge lamp.—

(47) Mercury vapor lamp.—

(A) In general.—The term ‘mercury vapor lamp’ means a high intensity discharge lamp in which—

(i) the light-producing arc is stabilized by the arc tube wall temperature; and

(ii) the arc tube wall loading is in excess of 3 Watts/cm².

(B) Inclusions.—The term ‘high intensity discharge lamp’ includes mercury vapor, metal halide, and high-pressure sodium lamps described in subparagraph (A).

(48) Mercury vapor lamp ballast.—The term ‘mercury vapor lamp ballast’ means a device that is designed and marketed to start and operate mercury vapor lamps intended for general illumination by providing the necessary voltage and current, and (B) by adding at the end the following:

"(53) Specialty application mercury vapor lamp ballast.—The term ‘specialty application mercury vapor lamp ballast’ means a lamp that is compliant with NSF/ANSI 51 and is designated and marketed for the intended application, with—

(i) the designation appearing on the lamp packaging; and

(ii) marketing materials that identify the lamp as being for Specialty Application Mercury Vapor Lamp Ballast.

(d) Energy Conservation Standards.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(e)) is amended—

(1) in subsection (v)—

(A) in the subsection heading, by striking "ceiling fans and"

(B) by striking paragraph (1); and

(C) by redesigning paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(2) In general.—

(A) in paragraph (1)(A)—

(i) by striking clause (ii); and

(ii) by redesignating clause (iv) as clause (iii); and

(iii) in clause (iii)(II) (as so redesignated), by inserting "fans sold for" before "outdoor"; and

(B) in paragraph (4)(C)—

(i) in the matter preceding clause (i), by striking "paragraph (B)" and inserting "paragraph (A)"; and

(ii) by striking clause (ii) and inserting the following:

"(ii) shall be packaged with lamps to fill all sockets.

(C) in paragraph (6), by redesigning subparagraphs (C) and (D) as clauses (i) and (ii), respectively, of subparagraph (B); and

(D) by redesigning subparagraph (A) and inserting the following:

"(1) General service incandescent lamp.—

(i) In general.—The term ‘general service incandescent lamp’ means a standard incandescent lamp that—

(I) is intended for general service applications;

(ii) has a medium screw base; and

(iii) has a lumen output range not less than 310 lumens and not more than 2,600 lumens; and

(iv) is capable of being operated at a voltage range at least partially within 110 and 130 volts.

(ii) Exclusions.—The term ‘general service incandescent lamp’ does not include the following incandescent lamps:

(I) An appliance lamp.

(ii) A black light lamp.

(iii) A bug lamp.

(iv) An infrared lamp.

(V) A plant light lamp.

(VI) A reflector lamp.

(VII) A rough service lamp.

(VIII) A shatter-resistant lamp (including a shatter-proof lamp and a shatter-protected lamp).

IX) A sign service lamp.

(X) A silver bowl lamp.

(XI) A showcase lamp.

(XII) A 3-way incandescent lamp.

(XIII) A vibration service lamp.

(XIV) A G shape lamp (as defined in ANSI C78.20-2003 and C79.1-2002) with a diameter of 5 inches or more.

(XV) A 7A, C12, C17, and C22 as listed in Figure 6-12 of the 9th edition of the IESNA Lighting Handbook, or similar configurations where lead wires are not counted as supports; and

(XVI) is designated and marketed specifically for ‘rough service’ applications, with—

(i) the designation appearing on the lamp packaging; and

(ii) marketing materials that identify the lamp as being for rough service.

(Y) 3-WAY INCANDESCENT LAMP.—The term ‘3-way incandescent lamp’ means an incandescent lamp that—

(i) employs 2 filaments, operated separately and in combination, to provide 3 light levels; and

(ii) is designated and marketed for the intended application, with—

(i) the designation appearing on the lamp packaging; and

(ii) marketing materials that identify the lamp as being for 3-way incandescent lamp.

(Z) Shatter-resistant lamp, shatter-proof lamp, or shatter-protected lamp.—

The terms ‘shatter-resistant lamp’, ‘shatter-proof lamp’, and ‘shatter-protected lamp’ mean a lamp that—

(i) has a coating or equivalent technology that is compliant with NSF/ANSI 51 and is designed to contain the glass if the glass envelope of the lamp is broken; and

(ii) is designated and marketed for the intended application, with—

(i) the designation appearing on the lamp packaging; and

(ii) marketing materials that identify the lamp as being shatter-resistant, shatter-proof, or shatter-protected.

(AA) Vibration service lamp.—The term ‘vibration service lamp’ means a lamp that—

(i) has filament configurations that are C-5, C-7A, or C-9, as listed in Figure 6-12 of the 9th Edition of the IESNA Lighting Handbook, or similar configurations; and

(ii) has a maximum wattage of 60 watts; and

(iii) is sold at retail in packages of 2 lamps or less; and

(iv) is designated and marketed specifically for vibration service or vibration-resistant applications, with—
“(i) the designation appearing on the lamp packaging; and

(ii) marketing materials that identify the lamp as being vibration service only.

(IV) GENERAL SERVICE LAMP.—

(‘‘I‘‘) IN GENERAL.—The term ‘‘general service lamp’’ includes—

(I) general service incandescent lamps;

(II) compact fluorescent lamps;

(III) general service light-emitting diode (LED or OLED) lamps; and

(IV) any other lamps that the Secretary determines are used to satisfy lighting applications traditionally served by general service incandescent lamps.

(II) Exclusions.—The term ‘‘general service lamp’’ does not include—

(I) any lighting application or bulb shape described in any of subclauses (I) through (XXII) of subparagraph (D)(ii); or

(II) any general service fluorescent lamp or incandescent reflector lamp.

(II) LIGHT-EMITTING DIODE; LED.—

‘‘(I) in general.—The terms ‘light-emitting diode’ and ‘LED’ mean a p-n junction solid state device the radiated output of which is a function of the physical construction, material used, and exciting current of the device.

‘‘(ii) output.—The output of a light-emitting diode refers to—

(I) the infrared region;

(II) the visible region; or

(III) the ultraviolet region.

(III) ORGANIC LIGHT-EMITTING DIODE; OLED.—The terms ‘organic light-emitting diode’ and ‘OLED’ mean a thin-film light-emitting device that typically consists of a series of organic layers between 2 electrical contacts (electrodes).

(EE) COLORED INCANDESCENT LAMP.—The term ‘colored incandescent lamp’ means an incandescent lamp designated and marketed as a colored lamp that has—

(i) a color rendering index of less than 50, as determined according to the test method given in C.I.E. publication 13.3-1995; or

(ii) a correlated color temperature of less than 2,500K, or greater than 4,600K, where correlated temperature is computed according to the Journal of Optical Society of America, Vol. 58, pages 1528-1536 (1966).”.

“GENERAL SERVICE INCANDESCENT LAMPS

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“MODIFIED SPECTRUM GENERAL SERVICE INCANDESCENT LAMPS

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and

(ii) by striking subparagraph (B) and inserting the following:

“(B) Application.—

(i) Application Criteria.—This subparagraph applies to each lamp that—

(I) is intended for a general service or general illumination application (whether incandescent or not);

(II) has a medium screw base or any other screw base not defined in ANSI C78.61-2006;

(III) is capable of being operated at a voltage at least partially within the range of 110 to 130 volts; and

(IV) is manufactured or imported after December 31, 2011.

(ii) Requirement.—For purposes of this paragraph, each lamp described in clause (i) shall have a color rendering index that is greater than or equal to—

(I) 80 for nonmodified spectrum lamps; or

(II) 75 for modified spectrum lamps.

(C) CANDELABRA INCANDESCENT LAMPS AND INTERMEDIATE BASE INCANDESCENT LAMPS.—

(I) Candelabra base incandescent lamps shall not exceed 60 rated watts.

(ii) Intermediate base incandescent lamps shall not exceed 40 rated watts.

(D) Exemptions.—

(i) Petition.—Any person may petition the Secretary for an exemption for a type of general service lamp from the requirements of this subsection.

(II) Criteria.—The Secretary may grant an exemption under clause (i) only to the extent that the Secretary finds, after a hearing and opportunity for public comment, that it is not technically feasible to serve a specialized lighting application (such as a military, medical, public safety, or certified historic lighting application) using a lamp that meets the requirements of this subsection.

(III) Additional Criteria.—To grant an exemption for a product under this subparagraph, the Secretary shall include, as an additional criterion, that the exempted product is unlikely to be used in a general service lighting application.

(E) Extension of Coverage.—

(i) Petition.—Any person may petition the Secretary to establish standards for lamp shapes or bases that are excluded from the definition of general service lamps.

(II) Increased Sales of Exempted Lamps.—The petition shall include evidence that the availability or sales of exempted incandescent lamps have increased significantly since the date on which the standards for general service incandescent lamps were established.

(III) Criteria.—The Secretary shall grant a petition under clause (i) if the Secretary finds that—

(I) the petition presents evidence that demonstrates that commercial availability or sales of exempted incandescent lamp types have increased significantly since the standards on general service lamps were established and likely are being widely used in general lighting applications; and

(II) significant energy savings could be achieved by covering exempted products, as determined by the Secretary based on sales data provided to the Secretary from manufacturers and importers.

(iv) No Presumption.—The grant of a petition under this subparagraph shall create no presumption with respect to the determination of the Secretary with respect to any criteria under a rulemaking conducted under this section.

(F) Definition of Effective Date.—In this paragraph, except as otherwise provided in a table contained in subparagraph (A), the term ‘‘effective date’’ means the last day of the month specified in the table that follows October 24, 1992.

(i) in paragraph (5), in the first sentence, by striking ‘‘(and general service incandescent lamps’’; and

(v) by redesigning paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(II) PETITION.—Any person may petition the Secretary to establish standards for the exempted lamp shape or base; and

(II) complete the rulemaking not later than 18 months after the date on which notice is provided granting the petition.

(2) Coverage.—Section 322(a)(14) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)(14)) is amended by inserting ‘‘general service incandescent lamps,’’ after ‘‘fluorescent lamps’’.

(3) Energy Conservation Standards.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6265) is amended—

(A) in subsection (i)—

(i) in the section heading, by inserting ‘‘general service incandescent lamps, intermediate base incandescent lamps, candelabra base incandescent lamps,’’ after ‘‘fluorescent lamps’’; and

(II) In General.—The terms ‘‘general service incandescent lamp from the requirements of this subsection.

(2) Coverage.—Section 322(a)(14) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)(14)) is amended by inserting ‘‘general service incandescent lamps,’’ after ‘‘fluorescent lamps’’.

(3) Energy Conservation Standards.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6265) is amended—

(A) in subsection (i)—

(i) in the section heading, by inserting ‘‘general service incandescent lamps, intermediate base incandescent lamps, candelabra base incandescent lamps,’’ after ‘‘fluorescent lamps’’; and
“(6) STANDARDS FOR GENERAL SERVICE LAMPS.—

“(A) RULEMAKING BEFORE JANUARY 1, 2014.—

“(i) IN GENERAL.—Not later than January 1, 2014, the Secretary shall initiate a rulemaking procedure to determine whether—

“(I) standards in effect for general service lamps should be amended to establish more stringent standards than the standards specified in paragraph (1)(A); and

“(II) the exemptions for certain incandescent lamps should be maintained or discontinued, on exempted lamp sales collected by the Secretary from manufacturers.

“(ii) SCOPE.—The rulemaking—

“(I) shall not be limited to incandescent lamp technologies; and

“(II) shall include consideration of a minimum efficiency standard of 45 lumens per watt for general service lamps.

“(iii) AMENDED STANDARDS.—If the Secretary determines that the standards in effect for general service incandescent lamps should be amended, the Secretary shall publish a final rule not later than January 1, 2017, with an effective date that is not earlier than 3 years after the date on which the final rule is published.

“(iv) PHASED-IN EFFECTIVE DATES.—The Secretary shall consider phased-in effective dates under this subparagraph after considering—

“(I) the impact of any amendment on manufacturers, retiring and repurposing existing equipment, the historical growth rate of the type of lamp, and contracts, workers, and raw materials; and

“(II) the time needed to work with retailers and lighting designers to revise sales and marketing strategies.

“(v) BACKSTOP REQUIREMENT.—If the Secretary fails to complete a rulemaking in accordance with clause (i)(I) through (iv) or if the final rule does not produce savings that are greater than or equal to the savings from a minimum efficacy standard of 45 lumens per watt, effective beginning January 1, 2020, the Secretary shall prohibit the sale of any general service lamp that does not meet a minimum efficiency standard of 45 lumens per watt.

“(vi) STATE PREEMPTION.—Neither section 327(b) nor any other provision of law shall preclude California or Nevada from adopting, effective beginning on or after January 1, 2018—

“(I) a final rule adopted by the Secretary in accordance with clause (i)(I) through (iv); or

“(II) if a final rule described in paragraph (i) has not been adopted, the backstop requirement under clause (v); or

“(III) if California, if a final rule described in clause (I) has not been adopted, any California regulations relating to these covered products adopted pursuant to section 2580 of the California Public Utilities Code in effect as of the date of enactment of the Energy Independence and Security Act of 2007.

“(B) RULEMAKING BEFORE JANUARY 1, 2020.—

“(i) In general.—Not later than January 1, 2020, the Secretary shall initiate a rulemaking procedure to determine whether—

“(I) standards in effect for general service incandescent lamps should be amended to reflect lumens ranges with more stringent maximum wattage than the standards specified in paragraph (1)(A); and

“(II) the exemptions for certain incandescent lamps should be maintained or discontinued, based in part, on exempted lamp sales data collected by the Secretary from manufacturers.

“(ii) SCOPE.—The rulemaking shall not be limited to incandescent lamp technologies.

“(iii) AMENDED STANDARDS.—If the Secretary determines that the standards in effect for general service incandescent lamps should be amended, the Secretary shall publish a final rule not later than January 1, 2022, with an effective date that is not earlier than 3 years after the date on which the final rule is published.

“(iv) PHASED-IN EFFECTIVE DATES.—The Secretary shall consider phased-in effective dates under this subparagraph after considering—

“(I) the impact of any amendment on manufacturers, retiring and repurposing existing equipment, the historical growth rate of the type of lamp, contracts, workers, and raw materials; and

“(II) the time needed to work with retailers and lighting designers to revise sales and marketing strategies.

“(v) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (i)(I), effective beginning 1 year after the date of the issuance of the finding under clause (i)(I), the Secretary shall require rough service lamps to—

“(I) have a shatter-proof coating or equivalent technology that is compliant with NSF ANSI 51 and is designed to contain the glass shell if the glass envelope of the lamp is broken and to provide effective containment over the life of the lamp;

“(II) have a maximum 40-watt limitation; and

“(III) be sold at retail only in a package containing 1 lamp.

“(E) VIBRATION SERVICE LAMPS.—

“(1) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for vibration service lamps demonstrates actual unit sales of vibration service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

“(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

“(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for vibration service lamps.

“(2) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (1)(I), effective beginning 1 year after the date of the issuance of the finding under clause (1)(I), the Secretary shall require vibration service lamps to—

“(I) have a maximum 40-watt limitation; and

“(II) be sold at retail only in a package containing 1 lamp.

“(F) 3-WAY INCANDESCENT LAMPS.—

“(1) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

“(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

“(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for 3-way incandescent lamps.

“(2) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (1)(I), effective beginning 1 year after the date of the issuance of the finding under clause (1)(I), the Secretary shall require—

“(I) each filament in a 3-way incandescent lamp meet the new maximum wattage requirement for the rough service lamp range established under subsection (1)(A); and

“(II) 3-way lamps be sold at retail only in a package containing 1 lamp.

“(1) MINIMUM EFFICIENCY OF GENERAL SERVICE INCANDESCENT LAMPS.—Effective beginning with the first year that the reported annual sales rate for general service incandescent lamps demonstrates actual unit sales of general service incandescent lamps in the lumen range of 2,601 through 3,300 lumens (or, in the case of a modified spectrum, in the lumen range of 2,601 through 2,470 lumens) that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall impose—

“(I) a maximum 95-watt limitation on general service incandescent lamps in the lumen range of 2,601 through 3,300 lumens; and
“(ii) a requirement that those lamps be sold at retail only in a package containing 1 lamp.

(1) IN GENERAL.—In cooperation with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, the Federal Trade Commission, lighting and retail industry associations, energy efficiency organizations, and any other entities that the Secretary of Energy determines to be appropriate, the Secretary of Energy shall—

(i) to identify in the market shares of lamp types, efficiencies, and light output levels purchased by residential and nonresidential consumers; and

(ii) to understand the degree to which consumer decisionmaking is based on lamp power levels or watts, light output or lumens, lamp lifetime, and other factors, including information required on labels mandated by the Federal Trade Commission;

(2) REPORT ON RULEMAKING SCHEDULE.—Section 334 of the Energy Policy and Conservation Act (42 U.S.C. 6297(b)(1)) is amended—

(A) by striking “(A)” after “(i)”; and

(B) by inserting “(ii)” after “(i)”.

(3) by adding at the end the following:

“(C) a specific plan to remedy any failures, as a result of the amendments made by subsection (a), to assist manufacturers of general service and special service incandescent lamps that, at a minimum, achieve the wattage requirements imposed as a result of the amendments made by subsection (a).”

(4) by adding at the end the following:

“(B) a description of any impediments to meeting the deadlines; and

(C) a specific plan to remedy any failures, including recommendations for additional legislation or resources.”

(5) by adding at the end the following:

“(a) The report should include

(i) the status of advanced solid state lighting technologies to be installed into a fixture or lamp holder with a medium screw base socket; and

(ii) the impact on the types of lighting available to consumers of an energy conservation standard of 45 lumens per watt for general service light-
(ii) the time frame for the commercialization of lighting that could replace current incandescent and halogen incandescent lamp technology and any other new technologies developed to meet the minimum standards required under subsection (a)(3) of this section.

(3) REPORTS.—The reports shall be transmitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 322. INCandescent refLEctor lamp efFiciency standards.

(a) Definitions.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) (as amended by section 316(c)(1)(D)) is amended—

(1) in paragraph (30)(C)(i)—

(A) by striking ‘‘ER or BR’’; and

(B) by striking ‘‘ER30; ER40.‘’

(i) a bulged section below the major diameter of the bulb and above the approximate baseline of the bulb, as shown in figure 1 (RB) on page 7 of ANSI C79.1-1994, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph); and

(ii) a finished size and shape shown in ANSI C78.21-1989, including the referenced reflective characteristics in part 7 of ANSI C78.21-1989, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph).

(b) Standards for fluorescent lamps—

(1) Standards.—(A) Definition of effective date.—In this paragraph (other than subparagraph (D)), the term ‘‘effective date’’ means, with respect to each type of lamp specified in a table contained in subparagraph (B), the last day of the period of months corresponding to that type of lamp (as specified in the table) that follows October 24, 1992.

(B) Minimum standards.—Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured after the effective date specified in the tables contained in this paragraph shall meet or exceed the following lamp efficacy and CRI standards:

<table>
<thead>
<tr>
<th>Lamp Type</th>
<th>Nominal Lamp Wattage</th>
<th>Minimum CRI</th>
<th>Minimum Average Lamp Efficacy (LPW)</th>
<th>Effective Date (Period of Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-foot medium bi-pin</td>
<td>≤100 W</td>
<td>70.0</td>
<td>80.0</td>
<td>18</td>
</tr>
<tr>
<td>2-foot U-shaped</td>
<td>≤65 W</td>
<td>80.0</td>
<td>90.0</td>
<td>18</td>
</tr>
<tr>
<td>8-foot slimline</td>
<td>≤60 W</td>
<td>90.0</td>
<td>100.0</td>
<td>18</td>
</tr>
<tr>
<td>8-foot high output</td>
<td>≤60 W</td>
<td>100.0</td>
<td>110.0</td>
<td>18</td>
</tr>
</tbody>
</table>

FLUORESCENT LAMPS

<table>
<thead>
<tr>
<th>Lamp Type</th>
<th>Nominal Lamp Wattage</th>
<th>Minimum CRI</th>
<th>Minimum Average Lamp Efficacy (LPW)</th>
<th>Effective Date (Period of Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>40-50 ......</td>
<td>10.5</td>
<td>55.0</td>
<td>45.0</td>
<td>36</td>
</tr>
<tr>
<td>51-66 ......</td>
<td>11.0</td>
<td>60.0</td>
<td>50.0</td>
<td>36</td>
</tr>
<tr>
<td>67-85 ......</td>
<td>12.5</td>
<td>70.0</td>
<td>60.0</td>
<td>36</td>
</tr>
<tr>
<td>86-115 .....</td>
<td>14.0</td>
<td>80.0</td>
<td>70.0</td>
<td>36</td>
</tr>
<tr>
<td>116-150 .....</td>
<td>14.0</td>
<td>90.0</td>
<td>80.0</td>
<td>36</td>
</tr>
<tr>
<td>156-205 .....</td>
<td>15.0</td>
<td>100.0</td>
<td>90.0</td>
<td>36</td>
</tr>
</tbody>
</table>

(b) by inserting after section 3312 the following:

(1) LAMPS BETWEEN 2.25-2.75 INCHES IN DIAMETER.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, and on and after the later of January 1, 2008, or the date that is 180 days after the date of the enactment of the Energy Independence and Security Act of 2007.

SEC. 323. PUBLIC BUILDING ENERGY EFFICIENT AND RENEWABLE ENERGY SYSTEMS.

(a) ESTIMATE of energy performance in prospectus.—Section 3307(b) of title 40, United States Code, is amended—

(1) by striking ‘‘and’’ at the end of paragraph (5); and

(2) by striking the period at the end of paragraph (6) and inserting ‘‘; and’’;

and

(b) Minimum performance requirements for leased space.—Section 3307 of such title is amended—

(1) by redesigning subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following:

(1) LAMPS BETWEEN 2.25-2.75 INCHES IN DIAMETER.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, and on and after the later of January 1, 2008, or the date that is 180 days after the date of the enactment of the Energy Independence and Security Act of 2007.

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(b) Minimum performance requirements for leased space.—Section 3307 of such title is amended—

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(2) by inserting after subsection (e) the following:

(1) LAMPS BETWEEN 2.25-2.75 INCHES IN DIAMETER.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, and on and after the later of January 1, 2008, or the date that is 180 days after the date of the enactment of the Energy Independence and Security Act of 2007.

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(1) by striking ‘‘and’’ at the end of paragraph (5); and

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and

(b) Minimum performance requirements for leased space.—Section 3307 of such title is amended—

(1) by redesigning subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following:

(1) LAMPS BETWEEN 2.25-2.75 INCHES IN DIAMETER.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, and on and after the later of January 1, 2008, or the date that is 180 days after the date of the enactment of the Energy Independence and Security Act of 2007.
with a lighting fixture or bulb that is energy efficient.

"(c) CONSIDERATIONS.—In making a determination under this section concerning the feasibility of prohibiting a lighting fixture or bulb that is energy efficient, the Administrator shall consider—

(1) the life-cycle cost effectiveness of the fixture or bulb;

(2) the compatibility of the fixture or bulb with existing equipment;

(3) whether use of the fixture or bulb could result in interference with productivity;

(4) the aesthetics relating to use of the fixture or bulb in general lighting applications; and

(5) such other factors as the Administrator determines appropriate.

(d) ENERGY STAR.—A lighting fixture or bulb shall be treated as being energy efficient for purposes of this section if—

(1) the fixture or bulb is certified under the Energy Star program established by section 102a of the Energy Policy and Conservation Act (42 U.S.C. 6294a);

(2) in the case of all light-emitting diode (LED) luminaires, lamps, and systems whose efficiency exceeds the following: Color Rendering Index (CRI) meet the Department of Energy requirements for minimum luminaire efficacy and CRI for the Energy Star certification issued by an independent third-party testing laboratory that the Administrator and the Secretary of Energy determine conducts its tests according to the procedures and recommendations of the Illuminating Engineering Society of North America, even if the luminaires, lamps, and systems have not received such certification; or

(3) the Administrator and the Secretary of Energy have otherwise determined that the fixture or bulb is energy efficient.

(e) ENERGY EFFICIENT LIGHTING DESIGNATIONS.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall give priority to establishing Energy Star performance criteria or Federal Energy Management Program product designations that are appropriate for use in public buildings.

(f) GUIDELINES.—The Administrator shall develop guidelines for the use of energy efficient lighting technologies that contain mercury in child care centers in public buildings.

(g) APPLICABILITY OF BUY AMERICAN ACT.—Acquisitions carried out pursuant to this section shall be subject to the requirements of the Buy American Act (41 U.S.C. 3301 and 3301a et seq.).

(h) EFFECTIVE DATE.—The requirements of subsections (a) and (b) shall take effect one year after the date of enactment of this subsection.

(2) CLERICAL AMENDMENT.—The analysis for such chapter is amended by striking the items relating to sections 3313, 3314, and 3315 and inserting in lieu thereof "3313. Use of energy efficient lighting fixtures and bulbs."

3314. Delegation.

3315. Report to Congress.

3316. Certain authority not affected."

(d) EVALUATION FACTOR.—Section 3310 of such title is amended—

(1) by redesigning paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) shall include in the solicitation for any lease requiring a prospectus under section 3307 an evaluation factor considering the extent to which the offer will promote energy efficiency and the use of renewable energy."

SECTION 324. METAL HALIDE LAMP FIXTURES.

(a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) (as amended by section 322(a)(2)) is amended by adding at the end the following:

"(58) BALLAST.—The term 'ballast' means a device used to start and sustain the discharge of a metal halide lamp to obtain necessary circuit conditions (voltage, current, and waveform) for starting and operating.

"(59) BALLAST EFFICIENCY.—

(1) IN GENERAL.—The term 'ballast efficiency' means, in the case of a high intensity discharge fixture, the efficiency of a lamp or fixture ballast expressed as a percentage, and calculated in accordance with the following formula: Efficiency = \( \frac{P_{in}}{P_{out}} \).

(2) BY EFFICIENCY FORMULA.—For the purpose of subparagraph (A)—

(1) \( P_{in} \) shall equal the measured operating lamp wattage;

(2) \( P_{out} \) shall equal the measured input wattage;

(3) the lamp, and the capacitor when the capacitor is provided, shall constitute a nominal system in accordance with the ANSI Standard C82.6–2005 using a wattmeter with a frequency of 20 Hz;

(4) \( P_{in} \) shall equal the input power measured after lamps have been stabilized according to section 4.4 of ANSI Standard C82.6–2005 using a wattmeter with a frequency of 60 Hz.

"(60) ELECTRONIC BALLAST.—

The term 'electronic ballast' means a ballast that uses semiconductors as the primary means to control lamp starting and operation.

"(61) GENERAL LIGHTING APPLICATION.—The term 'general lighting application' means lighting that is used in a general interior or exterior area with overall illumination.

"(62) METAL HALIDE BALLAST.—The term 'metal halide ballast' means a ballast used to start and operate metal halide lamps.

"(63) METAL HALIDE LAMP.—

The term 'metal halide lamp' means a high intensity discharge lamp in which the major portion of the light produced is emitted from metal halides and their products of dissociation, possibly in combination with metallic vapors.

"(64) METAL HALIDE LAMP FIXTURE.—

The term 'metal halide lamp fixture' means a fixture that is designed to operate with a metal halide lamp and contains a ballast.

"(65) PROBE-START METAL HALIDE BALLAST.—

The term 'probe-start metal halide ballast' means a ballast that—

(1) starts a probe-start metal halide lamp that contains a third starting electrode (probe) in the arc tube; and

(2) does not generally contain an igniter but instead uses lamps with high ballast open circuit voltage.

"(66) PULSE-START METAL HALIDE BALLAST.—

(1) IN GENERAL.—The term 'pulse-start metal halide ballast' means a magnetic or electronic ballast that starts a pulse-start metal halide lamp with high voltage pulses.

(2) STARTING PROCESS.—For the purpose of subparagraph (A)—

"(i) lams shall be started by first providing a high voltage pulse for ionization of the gas to produce a glow discharge; and

(ii) to complete the starting process, power shall be provided by the ballast to sustain the discharge through the glow-to-arc transition."

(b) COVERAGE.—Section 322(a) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)) is amended—

(1) by redesigning paragraph (19) as paragraph (20); and

(2) by inserting after paragraph (18) the following:

"(19) METAL HALIDE BALLASTS.—Test procedures for metal halide lamp ballasts shall be based on ANSI Standard C82.6–2005, entitled 'Ballasts for High Intensity Discharge Lamps—Method of Measurement.'"

(c) TEST PROCEDURES.—Section 323(b) of the Energy Policy and Conservation Act (42 U.S.C. 6292(b) (as amended by section 301(b))) is amended by adding at the end the following:

"(1) metal halide lamp ballasts shall be based on ANSI Standard C82.6–2005, entitled 'Ballasts for High Intensity Discharge Lamps—Method of Measurement.'"

(d) LABELING.—Section 324(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6294a(2)) is amended—

(1) by redesigning subparagraphs (C) through (G) as subparagraphs (D) through (H), respectively; and

(2) by inserting after subparagraph (B) the following:

"(C) METAL HALIDE LAMP FIXTURES.—

"(1) IN GENERAL.—The Commission shall issue labeling rules under this section applicable to the covered product specified in section 322(a)(19) and to which standards are applicable under section 323.

"(2) LABELING.—The rules shall provide that the labeling of any metal halide lamp fixture manufactured on or after the later of January 1, 2009, or the date that is 270 days after the date of enactment of this subpart, shall indicate conspicuously, in a manner prescribed by the Commission under subsection (b) by July 1, 2008, a capital letter 'E' printed within a circle on the packaging of the fixture, and on the ballast contained in the fixture."

(e) STANDARDS.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) (as amended by section 310) is amended by adding at the end the following:

"(1) by redesigning subsection (ii) as subsection (i); and

(2) by inserting after subsection (g) the following:

"(hh) METAL HALIDE LAMP FIXTURES.—

"(1) STANDARDS.—

(A) IN GENERAL.—Subject to subparagraphs (a) and (c), metal halide lamp fixtures designed to be operated with lamps rated greater than or equal to 150 watts but less than or equal to 500 watts shall contain—

(i) a pulse-start metal halide ballast with a minimum ballast efficiency of 88 percent;

(ii) a magnetic probe-start ballast with a minimum ballast efficiency of 80 percent; or

(iii) a nonpulse-start electronic ballast with a minimum ballast efficiency of 92 percent for wattages greater than 250 watts; and

(ii) a minimum ballast efficiency of 90 percent for wattages less than or equal to 250 watts.

(B) EXCLUSIONS.—The standards established under subparagraph (A) shall not apply to—

(i) fixtures with regulated lag ballasts;

(ii) fixtures that use electronic ballasts that operate at 480 volts; or

(iii) fixtures that—

(1) are rated only for 150 watt lamps;

(2) are for use in Metric luminaires, as specified by the National Electrical Code 2002, section 410.4(A); and
(III) contain a ballast that is rated to operate at ambient air temperatures above 50 °C, as specified by UL 1029–2003.  
(C) APPLICATION.—The standards established in paragraph (A) shall apply to metal halide lamp fixtures manufactured on or after the later of—  
(i) January 1, 2009; or  
(ii) a time that is 270 days after the date of enactment of this subsection.  
(2) FINAL RULE BY JANUARY 1, 2012.  
(A) In general.—Not later than January 1, 2012, the Secretary shall publish a final rule to determine whether the standards established under paragraph (1) should be amended.  
(B) ADMINISTRATION.—The final rule shall—  
(i) contain any amended standard; and  
(ii) apply to products manufactured on or after January 1, 2015.  
(3) FINAL RULE BY JANUARY 1, 2019.  
(A) In general.—Not later than January 1, 2019, the Secretary shall publish a final rule to determine whether the standards in effect then should be amended.  
(B) ADMINISTRATION.—The final rule shall—  
(i) contain any amended standards; and  
(ii) apply to products manufactured after January 1, 2022.  
(4) DESIGN AND PERFORMANCE REQUIREMENTS.—Notwithstanding any other provision of law, any standard established pursuant to this subsection may contain both design and performance requirements. and—  
(i) in paragraph (2) of subsection (a) (as redesignated by paragraph (2)), by striking “(g)” each place it appears and inserting “(h)”  
(ii) EFFECT ON OTHER LAW.—Section 327(c) of the Energy Policy and Conservation Act (42 U.S.C. 6294(c)(3)) is amended—  
(I) LABELING REQUIREMENTS.  
(1) CONTENT OF LABEL.  
(A) IN GENERAL.—The term “label” means the High-Performance Green Building Consultant under section 436(a).  
(B) DISCRETIONARY APPLICATION.—The Commission may apply paragraphs (1), (2), (3), and (5) of this subsection to the labeling of any product, in whole or in part, for use by the Federal Government or the Federal Government, that is likely to assist consumers in making purchasing decisions.  
(2) CONTENT OF LABEL.—The term “label” means the position established under section 436(a).  
(B) EXCLUSION.  
(1) In general.—The term “exclusion” means the individual appointed to the position established under section 436(a).  
(2) SEC. 255. ENERGY EFFICIENCY LABELING FOR CONSUMER ELECTRONIC PRODUCTS.  
(a) IN GENERAL.—Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) (as amended by section 324(d)) is amended—  
(i) in paragraph (8)(B), by striking the period at the end and inserting “; and”; and  
(ii) by adding at the end the following:  
(9) DISCRETIONARY APPLICATION.—The term “exclusion” means the individual appointed to the position established under section 436(a).  
(b) SEC. 401. DEFINITIONS.  
In this title:  
(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of General Services.  
(2) ADVISORY COMMITTEE.—The term “Advisory Committee” means the Green Building Advisory Committee established under section 436.  
(3) COMMERCIAL DIRECTOR.—The term “Commercial Director” means the individual appointed to the position established under section 437.  
(4) CONSORTIUM.—The term “Consortium” means the High-Performance Green Building Partnership Consortium created in response to section 436(c)(1) to represent the private sector and to establish a collaborative partnership to promote high-performance green buildings and zero-net-energy commercial buildings.  
(5) COST-EFFECTIVE LIGHTING TECHNOLOGY.—The term “cost-effective lighting technology” means a lighting technology that—  
(i) will result in substantial operational cost savings by reducing electricity or fossil fuel consumption, water, or utility costs, including use of geothermal heat pumps;  
(ii) complies with the provisions of section 553 of Public Law 95–419 (42 U.S.C. 6294b) and Federal acquisition regulation 23–203; and  
(iii) is at least as energy and water conserving as required under this title, including the requirements of title V, including section 511 through 525, which shall be applicable to the extent that they are more stringent or require greater energy or water savings than required by this section.  
(C) SEC. 402. DEFINITIONS.—In this title:  
(1) GEOTHERMAL HEAT PUMP.—The term “geothermal heat pump” means any heating or air conditioning technology that—  
(ii) is contained in a list under—  
(I) section 553 of Public Law 95–419 (42 U.S.C. 6294b);  
(ii) Federal acquisition regulation 23–203; and  
(iii) is at least as energy-conserving as required by other provisions of this Act, including the requirements of this title and title VI that shall be applicable to the extent that they would achieve greater energy savings than provided under clause (i) or this clause.  
(B) INCLUSIONS.—The term “cost-effective lighting technology” includes—  
(i) lamps;  
(ii) ballasts;  
(iii) luminaires;  
(iv) lighting controls;  
(v) daylighting; and  
(vi) early use of other highly cost-effective lighting technologies.  
(6) COST-EFFECTIVE TECHNOLOGIES AND PRACTICES.—The term “cost-effective technologies and practices” means a technology or practice that—  
(A) will result in substantial operational cost savings by reducing electricity or fossil fuel consumption, water, or utility costs, including use of geothermal heat pumps;  
(B) complies with the provisions of section 553 of Public Law 95–419 (42 U.S.C. 6294b) and Federal acquisition regulation 23–203; and  
(C) is at least as energy and water conserving as required under this title, including the requirements of title V, including section 511 through 525, which shall be applicable to the extent that they are more stringent or require greater energy or water savings than required by this section.  
(D) FEDERAL DIRECTOR.—The term “Federal Director” means the individual appointed to the position established under section 436(a).  
(E) FEDERAL FACILITY.—The term “Federal facility” means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.  
(F) OPERATIONAL COST SAVINGS.—The term “operational cost savings” means a reduction in end-use operational costs through the application of cost-effective technologies and practices or geothermal heat pumps, including a reduction in electricity costs or a reduction in consumption by the same customer or at the same facility in a given year, as defined in regulations promulgated by the Administrator pursuant to section 329(b) of the Clean Air Act, that achieves cost savings sufficient to pay the incremental additional costs of using cost-effective technologies and practices including geothermal heat pumps by not later than the later of the date established under sections 431 through 434, or—  
(i) the date that is 5 years after the date of installation; and  
(ii) for geothermal heat pumps, as soon as practical after the date of installation of the applicable geothermal heat pump.  
(B) INCLUSIONS.—The term “operational cost savings” includes savings achieved at a facility as a result of—  
(i) the installation or use of cost-effective technologies and practices; or  
(ii) the planting of vegetation that shades the facility and reduces the heating, cooling, or lighting needs of the facility.  
(C) EXCLUSION.—The term “operational cost savings” does not include savings from measures that would likely be adopted in the absence of cost-effective technologies and practices programs, as determined by the Administrator.  
(E) APPROPRIATE RESIDENTIAL APPLICATION.—The term “geothermal heat pump” means any heating or air conditioning technology that—
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(A) uses the ground or ground water as a thermal energy source to heat, or as a thermal energy sink to cool, a building; and

(B) meets the requirements of the Energy Star Residential Building Efficiency Standards for New Construction established by the Environmental Protection Agency applicable to geothermal heat pumps on the date of purchase of the technology.

(ii) GSA FACILITY.—(A) IN GENERAL.—The term “GSA facility” means any building, structure, or facility, in whole or in part (including the associated support systems of the building, structure, or facility) that—

(i) is constructed (including facilities constructed or purchased), or leased in whole or in part, by the Administrator for use by the Federal Government; or

(ii) is leased, in whole or in part, by the Administrator for use by the Federal Government.

(I) except as provided in subclause (I), for a term of not less than 5 years; or

(II) for a term of less than 5 years, if the Administrator determines that use of cost-effective technologies and practices would result in the payback of expenses.

(2) DEFINITION OF LIFE-CYCLE.—(A) The term “life-cycle” includes any group of buildings, structures, or facilities described in subparagraph (A) (including the associated energy-consuming support systems of the buildings, structures, and facilities).

(B) EXEMPTION.—The Administrator may exempt from the definition of “GSA facility” under this subsection any building, structure, or facility that meets the requirements of section 543(c) of Public Law 95–619 (42 U.S.C. 6293(c)).

(12) HIGH-PERFORMANCE BUILDING.—The term “high-performance building” means a building that integrates and optimizes on a system level the high performance building attributes, including energy conservation, operation, maintenance, building envelope, indoor environmental quality, science, security, durability, accessibility, cost-benefit, productivity, functionality, and operational considerations.

(F) integrates systems in the building;

(G) reduces the environmental and energy impacts of transportation through building location and site design that support a full range of transportation choices for users of the building; and

(H) considers indoor and outdoor effects of the building on human health and the environment, including—

(i) improvements in worker productivity;

(ii) the life-cycle impacts of building materials and operations; and

(iii) whether the Federal Director or the Commercial Director consider to be appropriate.

(14) LIFE-CYCLE.—The term “life-cycle”, with respect to a high-performance green building, means all stages of the useful life of the building (including components, equipment, and associated energy consuming systems) beginning at conception of a high-performance green building project and continuing through site selection, design, construction, commissioning, operation, maintenance, renovation, reconstruction, or demolition, and recycling of the high-performance green building.

(15) LIFE-CYCLE ASSESSMENT.—The term “life-cycle assessment” means a comprehensively systematic process of analyzing the environmental performance of a product or service over the life of the product or service, beginning at raw materials acquisition and continuing through manufacturing, transportation, installation, use, reuse, and end-of-life waste management.

(16) LIFE-CYCLE COSTING.—The term “life-cycle costing”, with respect to a high-performance green building, means a technique of economic evaluation that—

(A) sums, over a given study period, the costs of initial investment (less net present value), replacements, operations (including energy use), and maintenance and repair of an investment decision; and

(B) is expressed in present value terms, in the case of a study period equivalent to the longest useful life of the building, determined by taking into consideration the typical life of such a building in the area in which the building is to be located; or

(C) in annual value terms, in the case of any other study period.

(17) OFFICE OF COMMERCIAL HIGH-PERFORMANCE GREEN BUILDINGS.—The term “Office of Commercial High-Performance Green Buildings” means the Office of Commercial High-Performance Green Buildings established under section 421(a).


(19) PRACTICES.—The term “practices” means design, financing, permitting, construction, operation, maintenance, and other practices that contribute to achieving zero-net-energy buildings or buildings with other levels of energy performance.

(20) ZERO-NET-ENERGY COMMERCIAL BUILDING.—The term “zero-net-energy commercial building” means a commercial building that is designed, constructed, and operated to—

(A) require a greatly reduced quantity of energy to operate;

(B) meet the balance of energy needs from sources of energy that do not produce greenhouse gases;

(C) therefore result in no net emissions of greenhouse gases; and

(D) be economically viable.

Subtitle A—Residential Building Efficiency

SEC. 411. REALLOCATION OF WEATHERIZATION ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6862) is amended by striking section 422—

(b) RESIDENTIAL BUILDING EFFICIENCY ASSISTANCE PROGRAM.

(c) STATE.—The term “State” means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

SEC. 412. STUDY OF RENEWABLE ENERGY REBATE PROGRAMS.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall conduct, and submit to Congress a report on, a study regarding the rebate programs established under sections 124 and 126(c) of the Energy Policy Act of 2005 (42 U.S.C. 13621, 13658).

(b) COMPONENTS.—In conducting the study, the Secretary shall—

(1) develop a plan for how the rebate programs would be carried out if the programs were funded; and

(2) determine the minimum amount of funding the program would need to receive in order to accomplish the goals of the programs.

SEC. 413. ENERGY CODE IMPROVEMENTS APPLICABLE TO MANUFACTURED HOUSING.

(a) ESTABLISHMENT OF STANDARDS.—(1) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, the Secretary shall by regulation establish minimum standards for energy efficiency in manufactured housing.

(b) NOTICE, COMMENT, AND CONSENT.—(1) Standards described in paragraph (1) shall be established after

(2) Notice and an opportunity for comment by manufacturers of manufactured housing and other interested parties; and
(B) consultation with the Secretary of Housing and Urban Development, who may seek further counsel from the Manufactured Housing Consensus Committee.

(b) REQUIREMENTS.—

(1) INTERNATIONAL ENERGY CONSERVATION CODE.—The energy conservation standards established under this section shall be based on the Department of Housing and Urban Development, the National Institute of Standards and Technology, and other capable parties meeting the qualifications of the Consortium, to further such development;

(2) coordination with such public-private partnerships;

(3) use appropriated funds in an effective manner to encourage the maximum investment of private funds to achieve such development;

(4) promote research and development of high performance green buildings, consistent with section 423; and

(5) intent to achieve the development of high-performance green buildings to a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(b) QUALIFICATIONS.—The Commercial Director shall be an individual, who by reason of professional background and experience, is specifically qualified to carry out the duties required by this section.

(c) DUTIES.—The Commercial Director shall carry on a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(c) QUALIFICATIONS.—The Commercial Director shall be an individual, who by reason of professional background and experience, is specifically qualified to carry out the duties required by this section.

(d) DUTIES.—The Commercial Director shall carry on a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(d) REQUIREMENTS.—The energy conservation standards established under this section shall be based on the Department of Housing and Urban Development, the National Institute of Standards and Technology, and other capable parties meeting the qualifications of the Consortium, to further such development;

(2) coordination with such public-private partnerships;

(3) use appropriated funds in an effective manner to encourage the maximum investment of private funds to achieve such development;

(4) promote research and development of high performance green buildings, consistent with section 423; and

(5) intent to achieve the development of high-performance green buildings to a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

Subtitle B—High-Performance Commercial Buildings

SEC. 421. COMMERCIAL HIGH-PERFORMANCE GREEN BUILDINGS.

(a) DIRECTOR OF COMMERCIAL HIGH-PERFORMANCE GREEN BUILDINGS.—Notwithstanding any other provision of law, the Secretary of Energy Efficiency and Renewable Energy may appoint a Director of Commercial High-Performance Green Buildings to a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(1) coordinate the activities of the Office of Commercial High-Performance Green Buildings with the activities of the Office of Federal High-Performance Green Buildings; and

(2) develop the legal predicates and agreements for, negotiate, and establish one or more public-private partnerships with the Consortium, the Commercial Director shall have the authority to enter into agreements with the Consortium, and other capable parties meeting the qualifications of the Consortium, to further such development;

(b) REQUIREMENTS.—The Commercial Director shall be an individual, who by reason of professional background and experience, is specifically qualified to carry out the duties required by this section.

(c) DUTIES.—The Commercial Director shall carry on a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(c) REQUIREMENTS.—The energy conservation standards established under this section shall be based on the Department of Housing and Urban Development, the National Institute of Standards and Technology, and other capable parties meeting the qualifications of the Consortium, to further such development;

(2) coordination with such public-private partnerships;

(3) use appropriated funds in an effective manner to encourage the maximum investment of private funds to achieve such development;

(4) promote research and development of high performance green buildings, consistent with section 423; and

(5) intent to achieve the development of high-performance green buildings to a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(d) REQUIREMENTS.—The energy conservation standards established under this section shall be based on the Department of Housing and Urban Development, the National Institute of Standards and Technology, and other capable parties meeting the qualifications of the Consortium, to further such development;

(2) coordination with such public-private partnerships;

(3) use appropriated funds in an effective manner to encourage the maximum investment of private funds to achieve such development;

(4) promote research and development of high performance green buildings, consistent with section 423; and

(5) intent to achieve the development of high-performance green buildings to a position in the career-reserved Senior Executive Service, with the principal responsibility to—

(A) establish and manage the Office of Commercial High-Performance Green Buildings; and

(B) carry out other duties as required under this subtitle.

(e) COORDINATION.—The Commercial Director shall report directly to the Assistant Secretary for Energy Efficiency and Renewable Energy, or to other senior officials in a way that facilitates the integrated program of this subtitle for both energy efficiency and renewable energy and both technology development and technology deployment.

(f) ENFORCEMENT.—The Commercial Director shall ensure full coordination of high performance green building information and activities, including activities under this subtitle, within the Federal Government by working with the General Services Administration and other relevant agencies, including, at a minimum—

(1) the Environmental Protection Agency;

(2) the Office of the Federal Environmental Executive;

(3) the Office of Federal Procurement Policy;

(4) the Department of Energy, particularly the Federal Energy Management Program;

(5) the Department of Health and Human Services;

(6) the Department of Housing and Urban Development;

(7) the Department of Defense;

(8) the National Institute of Standards and Technology;

(9) the Department of Transportation;

(10) the Office of Science and Technology Policy; and

(11) such nonprofit high-performance green building rating and analysis entities as the Commercial Director determines can offer support, expertise, and review services.

(g) COMMERCIAL HIGH-PERFORMANCE GREEN BUILDING PARTNERSHIP CONSORTIUM.—

(1) RECOGNITION.—Not later than 90 days after the date of enactment of this Act, the Commercial Director shall formally recognize one or more groups that qualify as a high-performance green building partnership consortium.

(2) REPRESENTATION TO QUALIFY.—To qualify under this section, any consortium shall include representation from—

(A) the design professions, including national associations of architects and of professional engineers;

(B) the development, construction, financial, and real estate industries;

(C) building code agencies and operators from the public and private sectors;

(D) academic and research organizations, including at least one national laboratory with extensive commercial building energy expertise;

(E) building code agencies and organizations, including a model energy code-setting organization;

(F) independent high-performance green building associations or councils;

(G) experts in indoor air quality and environmental factors;

(H) experts in intelligent buildings and integrated building information systems;

(I) utility energy efficiency programs;

(J) manufacturers of equipment and techniques used in high performance green buildings;

(K) public transportation industry experts; and

(L) nongovernmental energy efficiency organizations.

(b) REQUIREMENTS.—The Secretary may make payments to the Consortium pursuant to the terms of a public-private partnership for such activities of the Consortium under this subtitle directly to the Consortium or through one or more of its members.

(c) REPORT.—Not later than 4 years after the date of enactment of this Act, and biennially thereafter, the Commercial Director, in consultation with the Consortium, shall submit to Congress a report that—

(1) describes the status of the high-performance green building initiatives under this subtitle and other Federal programs affecting commercial high-performance green buildings in effect as of the date of the report, including—

(A) the extent to which the programs are being carried out in accordance with this subtitle; and

(B) the status of funding requests and appropriations for those programs; and

(2) summarizes and highlights commercial high-performance green building initiatives, at the State and local level, of high-performance green building initiatives, including executive orders, policies, or laws promoting high-performance green building (including the status of implementation of those initiatives).

SEC. 422. ZERO-NET-ENERGY COMMERCIAL BUILDINGS INITIATIVE.

(a) DEFINITIONS.—In this section:

(1) CONSORTIUM.—The term “consortium” means the Zero-Net-Energy Commercial Buildings Initiative selected by the Commercial Director.

(2) INITIATIVE.—The term “initiative” means the Zero-Net-Energy Commercial Buildings Initiative established under subsection (b)(1).

(3) ZERO-NET-ENERGY COMMERCIAL BUILDING.—The term “zero-net-energy commercial building” means a high-performance commercial building that is designed, constructed, and operated—

(A) to require a greatly reduced quantity of energy to operate;

(B) to meet the balance of energy needs from sources of energy that do not produce greenhouse gases;

(C) in a manner that will result in no net emissions of greenhouse gases; and

(D) to be economically viable.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—The Commercial Director shall establish an initiative, to be known as the “Zero-Net-Energy Commercial Buildings Initiative”—

(A) to reduce the quantity of energy consumed by commercial buildings located in the United States; and

(B) to achieve the development of zero net energy commercial buildings in the United States.

(c) CONSORTIUM.—

(1) IN GENERAL.—Not later than 360 days after the date of enactment of this Act, the Commercial Director shall competitively select, and enter into an agreement with, a consortium to develop and carry out the initiative.

(B) AGREEMENTS.—In entering into an agreement with a consortium under subparagraph (A), the Commercial Director shall use the authority described in section 466(g) of the Department of Energy Organization Act (42 U.S.C. 7256(g)), to the maximum extent practicable.

(c) GOAL OF INITIATIVE.—The goal of the initiative shall be to develop and disseminate technologies, practices, and policies for the development and establishment of zero net energy commercial buildings for—
(1) any commercial building newly constructed in the United States by 2030;  
(2) 50 percent of the commercial building stock of the United States by 2040; and  
(3) commercial buildings in the United States by 2050.  
(d) COMPONENTS.—In carrying out the initiative, the Commercial Director, in consultation with the consortium, may—  
(1) conduct research and development on building science, design, materials, components, equipment and controls, operation and other practices, integration, energy use measurement, and benchmarking;  
(2) conduct pilot programs and demonstration projects to evaluate replicable approaches to achieving energy efficient commercial buildings for a variety of building types in a variety of climate zones;  
(3) conduct deployment, dissemination, and technical assistance activities to encourage widespread adoption of technologies, practices, and policies to achieve energy efficient commercial buildings;  
(4) conduct other research, development, demonstration, and deployment activities necessary to achieve each goal of the initiative, determined by the Commercial Director, in consultation with the consortium;  
(5) develop training materials and courses for building professionals and trades on achieving cost-effective high-performance energy efficient buildings;  
(6) develop and disseminate public education materials to share information on the benefits and cost-effectiveness of high-performance energy efficient buildings;  
(7) support code-setting organizations and State and local governments in developing minimum performance standards in building codes that recognize the ready availability of many technologies utilized in high-performance energy efficient buildings;  
(8) develop strategies for overcoming the split incentives between builders and purchasers, and landlords and tenants, to ensure that energy efficiency and high-performance investments are made that are cost-effective on a lifecycle basis; and  
(9) develop improved methods of measurement and verification of energy savings and performance for public dissemination.  
(e) COST SHARING.—In carrying out this section, the Commercial Director shall require cost sharing, over and above subsection (b) of section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352).  
(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—  
(1) $200,000,000 for fiscal year 2008;  
(2) $200,000,000 for each of fiscal years 2009 and 2010;  
(3) $100,000,000 for each of fiscal years 2011 and 2012; and  
(4) $200,000,000 for each of fiscal years 2013 through 2018.  
SEC. 423. PUBLIC OUTREACH.  
The Commercial Director and Federal Director, with coordination with the Consortium, shall carry out public outreach to inform individuals and entities of the information and services available Governmentwide by—  
(1) establishing and maintaining a national high-performance green building clearinghouse, including on the Internet, that—  
(A) identifies existing similar efforts and coordinates activities of common interest; and  
(B) provides information relating to high-performance green buildings, including hyper-linked sites that describe the activities, information, and resources of—  
(i) the Federal Government;  
(ii) State and local governments;  
(iii) the public (including non-governmental and nonprofit entities and organizations); and  
(iv) international organizations;  
(2) identifying and recommending educational resources for implementing high-performance green building practices, including security and emergency benefits and practices;  
(3) providing access to technical assistance, tools, and resources for constructing high-performance green buildings, particularly tools to conduct life-cycle costing and life-cycle assessment;  
(4) providing information on application processes for achieving a high-performance green building, including certification and commissioning;  
(5) providing to the public, through the Commercial Director, technical and research information or other forms of assistance or advice that would be useful in planning and constructing high-performance green buildings;  
(6) using such additional methods as are determined by the Commercial Director to be appropriate to conduct public outreach;  
(7) surveying existing research and studies relating to high-performance green buildings; and  
(8) coordinating activities of common interest.  
Subtitle C—High-Performance Federal Buildings  
SEC. 431. ENERGY REDUCTION GOALS FOR FEDERAL BUILDINGS.  
Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253aa) is amended by striking the table and inserting the following:  
"Fiscal Year" | Percentage reduction  
--- | ---  
2006 | 2  
2007 | 4  
2008 | 9  
2009 | 13  
2010 | 15  
2011 | 18  
2012 | 21  
2013 | 24  
2014 | 27  
2015 | 30."

SEC. 432. MANAGEMENT OF ENERGY AND WATER EFFICIENCY IN FEDERAL BUILDINGS.  
Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:  
'(F) REUSE OF ENERGY AND WATER EFFICIENCY MEASURES IN FEDERAL BUILDINGS.—'  
'(1) DEFINITION.—(A) COMMISSIONING.—The term ‘commissioning’, with respect to a facility, means a systematic process—  
(i) of ensuring, using appropriate verification and documentation, during the period beginning on the initial day of the design phase of the facility and ending not earlier than 1 year after the date of completion of construction of the facility, that all facility systems perform interactively in accordance with—  
(I) the design documentation and intent of the facility; and  
(II) the operational needs of the owner of the facility, including preparation of operation and maintenance manuals, that cover, at a minimum, Federal facilities, including central utility plants and distribution systems and other energy intensive operations, that constitute at least 75 percent of facility energy use at each agency;  
(B) ENERGY MANAGER.—  
'(i) IN GENERAL.—The term ‘energy manager’, with respect to a facility, means the individual who is responsible for—  
(I) ensuring compliance with this subsection by the facility; and  
(II) reducing energy use at the facility.  
'(ii) INCLUSION.—The term ‘energy manager’ may include—  
(1) a contractor of a facility;  
(2) a part-time employee of a facility; and  
(III) an individual who is responsible for multiple facilities.  
'(C) FACILITY ENERGY MANAGERS.—  
'(i) IN GENERAL.—The term ‘facility’ means any building, installation, structure, or other property (including any applicable portion of land) that is constructed or manufactured and leased to, by the Federal Government.  
'(ii) INCLUSIONS.—The term ‘facility’ includes—  
(I) a group of facilities at a single location or multiple locations managed as an integrated operation; and  
(II) contractor-operated facilities owned by the Federal Government.  
'(iii) EXCLUSIONS.—The term ‘facility’ does not include any land owned for which the cost of utilities is not paid by the Federal Government.  
'(D) LIFE CYCLE COST-EFFECTIVE.—The term ‘life cycle cost-effective’, with respect to a measure, means a measure the estimated savings of which exceed the estimated costs over the lifespan of the measure, as determined in accordance with section 544.  
'(E) PAYBACK PERIOD.—  
'(i) IN GENERAL.—Subject to clause (ii), the term ‘payback period’, with respect to a measure, means the quotient obtained by dividing—  
(I) the estimated initial implementation costs of the measure (other than financing costs); by  
(II) the annual cost savings resulting from the measure, including—  
(aa) net savings in estimated energy and water costs; and  
(bb) operations, maintenance, repair, replacement, and other direct costs.  
'(F) MODIFICATIONS AND EXCEPTIONS.—The Secretary, in guidelines issued pursuant to paragraph (6), may make such modifications and provide such exceptions to the calculation of the payback period of a measure as the Secretary determines to be appropriate to achieve the purposes of this Act.  
'(G) RETROCOMMISSIONING.—The term ‘retrocommissioning’ means a process—  
(i) of commissioning a facility or system beyond the project development and warranty phases of the facility or system; and  
(II) the primary goal of which is to ensure optimum performance of a facility, in accordance with design or current operating needs, over the useful life of the facility, while meeting building occupancy requirements.  
'(H) RETROCOMMISSIONING.—The term ‘retrocommissioning’ means a process of commissioning a facility or system that was not commissioned at time of construction of the facility or system.  
'(I) FACILITY ENERGY MANAGERS.—  
'(A) IN GENERAL.—Each Federal agency shall designate an energy manager responsible for implementing this subsection and representing energy use at each facility that meets criteria under subparagraph (B).  
'(B) COVERED FACILITIES.—The Secretary shall develop criteria, after consultation with affected agencies, energy efficiency advocates, and energy and utility service providers, that cover, at a minimum, Federal facilities, including central utility plants and distribution systems and other energy intensive operations, that constitute at least 75 percent of facility energy use at each agency.  
'(J) ENERGY AND WATER EVALUATIONS.—  
'(A) EVALUATIONS.—Effective beginning on the date that is 180 days after the date of enactment of this subsection and thereafter, the Secretary shall annually prepare an energy use evaluation for each calendar year, a comprehensive energy and water evaluation for approximately
25 percent of the facilities of each agency that meet the criteria under paragraph (2)(B) in a manner that ensures that an evaluation of each such facility is completed at least once every 4 years.

(2) RECOMMIS SIONING AND RETROCOMMIS SIONING.—As part of the evaluation conducted under paragraph (A), the energy manager shall identify and assess recommissioning measures (or, if the facility has never been commissioned, retrocommissioning measures) for each such facility.

(3) IMPLEMENTATION OF IDENTIFIED ENERGY AND WATER-SAVING MEASURES.—Not later than 2 years after the completion of each evaluation under paragraph (3), each energy manager may—

(A) implement any energy- or water-saving measure that the Federal agency identified in the evaluation conducted under paragraph (3) that is life cycle cost-effective; and

(B) bundle individual measures of varying paybacks together into combined projects.

(4) FOLLOW-UP ON IMPLEMENTED MEASURES.—For each measure implemented under paragraph (4), each energy manager shall ensure that—

(A) each equipment, including building and equipment controls, is fully commissioned at acceptance to be operating at design specifications;

(B) a plan for appropriate operations, maintenance, and repair of the equipment is in place at acceptance and is followed;

(C) equipment and system performance is measured in the entire life to ensure proper operations, maintenance, and repair; and

(D) energy and water savings are measured and verified.

(5) GUIDELINES.—(A) IN GENERAL.—The Secretary shall issue guidelines that each Federal agency shall follow for implement—

(i) paragraphs (2) and (3) not later than 180 days after the date of enactment of this subsection; and

(ii) paragraphs (4) and (5) not later than 1 year after the date of enactment of this subsection.

(B) RELATIONSHIP TO FUNDING SOURCE.—The guidelines issued by the Secretary under subparagraph (A) shall be appropriate and uniform for measures funds with each type of funding made available under paragraph (19), but may distinguish between different types of funding if the project size, and other criteria the Secretary determines are relevant.

(6) WEB-BASED CERTIFICATION.—(A) FOR EACH FACILITY.—The Secretary shall adopt a system that meets the criteria established by the Secretary under paragraph (2)(B), the energy manager shall use the web-based tracking system under subparagraph (B) to certify compliance with the requirements for—

(i) energy and water uses under the Act and OMB budget instructions;

(ii) implementation of identified energy and water measures under paragraph (4); and

(iii) follow-up on implemented measures under subparagraph (2)(B).

(B) DEPLOYMENT.—(i) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall develop and deploy a web-based tracking system required under this paragraph in a manner that tracks, at a minimum—

(A) building facilities;

(B) the status of meeting the requirements specified in subparagraph (A);

(C) the estimated and cost savings for measures required to be implemented in a facility; and

(V) the benchmarking information described in clause (ii) of paragraph (8).

(ii) ENERGY SAVINGS.—The Secretary shall ensure that energy manager compliance with the requirements in this paragraph, to the maximum extent practical—

(A) is accomplished with the use of streamlined procedures and templates that minimize the time demands on Federal employees; and

(B) is coordinated with other applicable energy reporting requirements.

(7) BENCHMARKING OF FEDERAL FACILITIES.—(A) IN GENERAL.—The energy manager shall enter energy use data for each metered building that is (or is a part of) a facility that meets the criteria established by the Secretary under paragraph (2)(B) into a web-based tracking system for benchmarking the energy use of a building for Federal agencies.

(B) SYSTEM AND GUIDANCE.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall—

(i) select or develop the benchmarking system required under this paragraph; and

(ii) issue guidance for use of the system.

(C) PUBLIC DISCLOSURE.—Each energy manager shall post the information entered into, or generated by, a benchmarking system under this subsections, on the web-based tracking system under paragraph (7)(B). The Secretary shall identify such information each year, and shall include in such the information required to be posted for previous years’ information to allow changes in building performance to be tracked over time.

(8) BENCHMARKING OF FEDERAL FACILITIES FOR ENERGY CONSUMPTION.

(A) IN GENERAL.—The Secretary shall develop a federal benchmarking system required under the Energy Independence and Security Act of 2007, to compare the fossil fuel-generated energy consumption of Federal facilities against the fossil fuel-generated energy consumption of facilities in the commercial buildings sector.

(B) GUIDELINES.—For the purposes of carrying out clause (i), the Secretary shall—

(i) summarize the status of implementing the requirements of this subsection, and

(ii) issue guidance for measuring performance that the Director considers appropriate.

(C) AVAILABILITY.—The Secretary shall make the scorecards required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

(9) FEDERAL AGENCY SCORECARDS.—(A) IN GENERAL.—The Director of the Office of Management and Budget shall issue semiannual scorecards for energy management activities carried out by each Federal agency that includes—

(i) summaries of the status of implementing the requirements of this subsection; and

(ii) a summary of known means of measuring performance that the Director considers appropriate.

(B) AVAILABILITY.—The Director shall make the scorecards required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

(10) FUNDING AND IMPLEMENTATION.—(A) AUTHORIZATION OF APPROPRIATIONS.—There are appropriated funds made available under this Act for implementation of this Act’s provisions.

(B) FUNDING OPTIONS.—(i) To carry out this subsection, a Federal agency may use any combination of—

(A) appropriated funds made available under subparagraph (A); and

(B) private financing otherwise authorized under Federal law, including financing available through energy savings performance contracting or utility energy service contracts.

(ii) COMBINED FUNDING FOR SAME MEASURE.—A Federal agency may use any combination of appropriated funds and private financing described in clause (i) to carry out the same measure under this subsection.

(iii) EXPEDITED SPECIFICATION.—For each Federal facility of the Secretary determines to be the most likely to encourage a comprehensive and environment-ally sound approach to certification of Federal buildings, the Secretary shall specify the certification system and level for facilities that meets the criteria specified in clause (iii). The Secretary shall identify the highest level the Secretary determines is the above the minimum level required for certification under the system selected, and shall achieve results at least

SEC. 433. FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.

(a) STANDARDS.—Section 305(a)(3) of the Energy Conservation and Production Act (42 U.S.C. 6893(a)(3)) is amended by adding at the end the following new subparagraph:

(7) Not later than 1 year after the date of enactment of the Energy Independence and Security Act of 2007, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that:

(A) New Federal buildings and Federal buildings undergoing major renovations, with respect to which the Administrator of General Services is required to transmit a prospectus to Congress under section 3307 of title 40, United States Code, in the case of public buildings (as defined in section 3301 of title 40, United States Code), or of at least $50,000,000 in cost adjusted annually for inflation for other buildings;

(B) The buildings shall be designed so that the amount of fuel-generated and electricity consumed by the buildings is reduced, as compared with such energy consumption by a similar building in fiscal year 2003 (as measured by Commercial Buildings Energy Consumption Survey or Residential Energy Consumption Survey data from the Energy Information Agency), by the percentage specified in the following table:

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<tr>
<th>Fiscal Year</th>
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(8) BENEFITS OF ENERGY EFFICIENCY—Performance.

(A) IN GENERAL.—The Secretary shall develop and certify that Federal agencies have been procured and operated under this Act’s provisions.

(B) PUBLIC ACCESS.—The Secretary shall ensure that each Federal agency, the Secretary, may exempt specific Federal agencies, including those establishments that meet the criteria for certification under the system established under the Energy Independence and Security Act of 2007, from any of the requirements described in this subsection.

(C) REPORT.—Not later than 4 years after the date of enactment of the Energy Independence and Security Act of 2007, the Secretary shall, in consultation with the Administrator of General Services, the heads of Federal agencies, and the Secretary of Defense, report to Congress on the implementation of this section.

Section 305(a)(3) of the Energy Conservation and Production Act (42 U.S.C. 6893(a)(3)) is amended by adding at the end the following new subparagraph:

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comparable to the system used by and high-
est level referenced by the General Services Administration as of the date of enactment of the Energy Independence and Security Act of 2007. The requirement for completion of each study required by clause (iv), the Secretary, in consultation with the Administr-
tor of General Services, shall review and update the cer-
tification system and level, taking into account the conclusions of such study.

(ii) In establishing criteria for identifying major renovations that are subject to the re-
quirement of this subsection, the Secretary shall take into account the scope, de-
gree, and types of renovations that are likely to provide significant opportunities for sub-
stantial improvements in energy efficiency.

(iii) In identifying the green building cer-
tification system and level, the Secretary shall take into consideration:

(1) the ability and availability of assess-
sors and auditors to independently verify the criteria and measurement of metrics at the scale necessary to implement this subpara-
graph;

(2) the ability of the standard to be de-
developed and revised through a consensus-based process;

(3) an evaluation of the robustness of the criteria for high-performance green building, which shall give credit for pro-
moting—

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

(bb) use of renewable energy sources;

(cc) improved indoor environmental qual-
ity through enhanced indoor air quality, thermal comfort, acoustics, day lighting, pollutant source control, and use of low-
emission materials and building system con-
trols; and

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

(V) national recognition within the build-
ing industry.

(iv) At least once every five years, and in accordance with section 436 of the Energy Independence and Security Act of 2007, the Administrator of General Services shall con-
duct a study of the scale and comprehen-
sive third-party green building certification systems and levels, taking into account the criteria listed in clause (iii).

(5) An agency may not rule allow Fed-
eral agencies to develop internal certification processes, using certified profes-
sionals, in lieu of certification by the certi-
fication entity identified under clause (1)(I)(II). The Secretary shall include in any such rule guidelines to ensure that the certification process results in buildings meeting the ap-
plicable certification system and level iden-
tified under clause (1)(III). An agency em-
ploying an internal certification process must continue to obtain external certifi-
cation by the certification entity identified under clause (1)(III) for at least 5 percent of the total number of buildings certified annu-
ally by the agency.

(6) The Secretary shall consult with pri-
vately military housing, the Secretary of Defense, after con-
sultation with the Secretary may, through 
rulemaking, develop alternative criteria to those established by subclauses (1)(I)(II) of clause (1) that achieve an equivalent re-
sult in terms of energy savings, sustainable design, and green building performance.

(7) If any use of such conservation tech-
ologies other required by this section, water conservation technologies shall be applied to the extent that the tech-
nologies are life-cycle cost-effective.

(b) Definitions—Section 333(b)(6) of the En-
ergy Conservation and Production Act (42 U.S.C. 6832(b)(6)) is amended by strik-
ing “which is not legally subject to State or local build-
ing codes or similar requirements.” and in-
serting “. Such term shall include buildings built, owned, or leased by a Federal agency, and privatized military housing.”.

(c) Revision of Federal Acquisition Regu-
lation—Not later than 2 years after the date of the enactment of this Act, the Fed-
eral Acquisition Regulation shall be revised to require Federal officers and employees to consult with the Fed-
eral acquisition regulatory council established under section 25 of the Office of Federal Procure-
ment Policy Act (41 U.S.C. 401)) shall consult with the Federal Director and the Commercial Director before promulgating regula-
tions to carry out this subsection.

(d) Guidance.—Not later than 90 days after the date of promulgation of the revised regu-
lations under the authorities under the sec-
tion (ii) or in the case of a contract de-
scribed in paragraph (1)(B), not later than 1 year after signing the contract, the space will be set aside for use in achieving the energy efficiency and conserva-
tion standards that would be achieved if the space were used for other space, in-
cluding improvements in lighting, windows, and heating, ventilation, and air condi-
tioning systems.

(e) Revision of Federal Acquisition Regu-
lation.—

(1) In general.—Not later than 3 years after the date of enactment of this Act, the Federal Acquisition Regulatory Council des-
cribed in section 6(a) of the Office of Fed-
eral Procurement Policy Act (41 U.S.C. 606(a)) shall be revised to require Federal of-
ficers and employees to comply with this section in leasing buildings.

(2) Consultation.—The members of the Federal Acquisition Regulatory Council es-
tablished under section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421)) shall consult with the Federal Director and the Commercial Director before promulgating regulations to carry out this sub-
section.

SEC. 434. MANAGEMENT OF FEDERAL BUILDING EFFICIENCY.

(a) Large Capital Energy Investments.—

(1) In General.—Each Federal agency shall ensure that any large capital energy in-
vestment in an existing building that is not a major renovation but involves replace-
ment of installed equipment (such as heating and cooling systems), or involves renovation, re-
habilitation, expansion, or remodeling of ex-
isting space, employs the most energy effi-
cient design systems, equipment, and con-
trols that are life-cycle cost effective.

(2) Process for Review of Investment Decisions.—Not later than 180 days after the date of enactment of this subsection, each Federal agency shall—

(A) develop a process for reviewing each decision made on a large capital energy in-
vestment in an existing building that is not a major renovation but involves replace-
ment of installed equipment (such as heating and cooling systems), or involves renovation, re-
habilitation, expansion, or remodeling of ex-
isting space, employs the most energy effi-
cient design systems, equipment, and con-
trols that are life-cycle cost effective.

(b) Reporting.—Section 54(a)(1) of the Na-
tional Energy Conservation Policy Act (42 U.S.C. 6832(a)(1)) is amended by adding after the second sentence the following: “Not later than October 1, 2016, each agency shall provide for equivalent metering of natural gas and steam, in accordance with guidelines established by the Secretary under para-
graph (2).”

(c) Leasing.—

(a) In General.—Except as provided in sub-
section (b), effective beginning on the date of enactment of this Act, the Federal Acquis-
tion Regulation established under section 25 of the Office of Federal Procure-
ment Policy Act (41 U.S.C. 421) shall enter into a contract to lease space in a building that has not earned the Energy Star label in the most recent year.

(b) Exception.—This subsection applies if—

(A) no space is available in a building de-
scribed in subsection (a) that meets the func-
tional requirements of an agency, including logistical needs;

(B) the agency proposes to remain in a building that the agency has occupied previ-
ously;

(C) the agency proposes to lease a building of historical, architectural, or cultural sig-
nificance (as defined in section 3306(a)(4) of title 40, United States Code) or space in such a building; or

(D) the lease is for not more than 10,000 gross square feet of space.

(b) Large Capital Energy Investments.—

(1) In general.—Not later than 3 years after the date of enactment of this Act, the Federal Acquisition Regulatory Council des-
cribed in section 6(a) of the Office of Fed-
eral Procurement Policy Act (41 U.S.C. 606(a)) shall be revised to require Federal of-
ficers and employees to comply with this section in leasing buildings.

(2) Consultation.—The members of the Federal Acquisition Regulatory Council est-
ablished under section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) shall consult with the Federal Director and the Commercial Director before promulgating regulations to carry out this sub-
section.

SEC. 436. HIGH-PERFORMANCE GREEN FEDERAL BUILDINGS.

(a) Establishment of Office.—Not later than 60 days after the date of enactment of this Act, the Federal Director shall establish an Office of Federal High-Performance Green Buildings, and appoint an individual to serve as Federal Director in, a position in the ca-
panoer-reserved Senior Executive Service, to—

(1) establish and manage the Office of Fed-
eral High-Performance Green Buildings; and

(2) carry out other duties as required under this subtitile.

(b) Compensation.—The compensation of the Federal Director shall not exceed the maximum rate of basic pay for the Senior Executive Service established under section 5, United States Code, including any applica-
tible locality-based comparability payment authorized under section 5302(h)(2)(C) of that title.

(c) Duties.—The Federal Director shall—

(1) coordinate the activities of the Office of Federal High-Performance Green Buildings with the activities of the Office of Commer-
cial High-Performance Green Buildings, and the Secretary, in accordance with section 3606(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D));

(2) ensure full coordination of high-per-
formance green building information and ac-
counts with the activities of the General Services Admin-
istration and all relevant agencies, includ-
ing, at a minimum—
(A) the Environmental Protection Agency; (B) the Office of the Environmental Executive; (C) the Office of Federal Procurement Policy; (D) the Department of Energy; (E) the Department of Health and Human Services; (F) the Department of Defense; (G) the Department of Transportation; (H) the National Institute of Standards and Technology; and (I) the Office of Science and Technology Policy.

(3) establish a senior-level Federal Green Building Advisory Committee under section 474, which will advise and make recommendations in accordance with that section and subsection (d); (4) identify and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee; (5) ensure full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives; (6) identify and develop Federal high-performance green building standards and rating systems to cover all types of Federal facilities, consistent with the requirements of this subtitle and section 306(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)); (7) establish green practices that can be used throughout the life of a Federal facility; (8) review and analyze current Federal budget practices and life-cycle costing issues, and make recommendations to Congress, in accordance with subsection (d); and (9) identify opportunities to demonstrate innovative and emerging green building technologies and concepts.

(iii)欄目ILE—The Federal Director, in consultation with the Commercial Director and the Advisory Committee, and consistent with the requirements of section 306(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)) shall—

(1) identify, review, and analyze current budget and contracting practices that affect achievement of high-performance green buildings, including the identification of barriers to high-performance green building life-cycle costing in statutory issues;
(2) develop guidance and conduct training sessions with budget specialists and contracting personnel from Federal agencies and boards to enhance life-cycle cost analysis and audit requirements; and
(3) identify tools to aid life-cycle cost decisionmaking; and

(4) explore the feasibility of incorporating the benefits of high-performance green buildings, such as security benefits, into a cost-benefit analysis to aid in life-cycle costing for budgeting purposes.

(e) INCENTIVES.—Within 90 days after the date of enactment of this Act, the Federal Director shall provide an annual report containing at least a summary of the status of Federal facilities and high-performance green building initiatives in effect as of the date of the report, including—

(A) the extent to which the programs are being implemented and consistent with this subtitle and the requirements of section 306(a)(3)(D) of that Act; and
(B) the status of funding requests and appropriations for high-performance green building initiatives in effect as of the date of the report.

(5) Management and Budget, reviews the budget process for capital programs with respect to alternatives for—

(A) restructuring of budgets to require the use of complete energy and environmental cost accounting;
(B) using operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures as those measures can be quantified by the Office of Federal High-Performance Green Buildings, with the assistance of universities and colleges; and
(C) streamlining measures for permitting Federal agencies to retain all identified savings accrued as a result of the use of life-cycle costing for future high-performance green building initiatives; and

(d) identifies short-term and long-term cost savings that accrue from high-performance green buildings, including those relating to health and productivity;

(6) identifies green, self-sustaining technologies to address the operational needs of Federal facilities, especially security emergencies, natural disasters, or other dire emergencies;

(7) summarizes and highlights development, at the State and local level, of high-performance building data that are collected and reported to the Office; and

(8) includes, for the 2-year period covered by the report, recommendations to address each recommendation plan for implementation of each recommendation, described in paragraphs (1) through (7).

(8) IMPLEMENTATION.—The Executive Office of Federal High-Performance Green Buildings shall carry out each plan for implementation of recommendations under subsection (f)(8); and

(1) identification of certification system.—

(A) IN GENERAL.—For the purpose of this section, not later than 60 days after the date of enactment of this Act, the Federal Director shall identify and shall provide to the Secretary pursuant to section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), including through appropriate regulations—

(i) the provision of recognition awards; and
(ii) the maximum feasible retention of financial savings in the annual budgets of Federal agencies that use revolving funds in full for high-performance green building initiatives.

(B) REPORT.—Not later than 2 years after the date of enactment of this Act, and biennially thereafter, the Federal Director, in consultation with the Secretary, shall submit to Congress a report that—

(1) describes the status of compliance with this subtitle, the requirements of section 306(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), and identifies high-performance green building initiatives in effect as of the date of the report, including—

(A) the extent to which the programs are being implemented and consistent with this subtitle and the requirements of section 306(a)(3)(D) of that Act; and
(B) the status of funding requests and appropriations for high-performance green building initiatives in effect as of the date of the report; (i) efficient and sustainable use of water, energy, and other natural resources; and (ii) use of renewable energy sources; and
(iii) improved indoor environmental quality through enhanced indoor air quality, thermal comfort, acoustics, day lighting, pollutant source control, and use of low-emission materials and building system controls;
(iv) reduced impacts from transportation through high-performance building design that promote access by public transportation; and
(v) such other criteria as the Director determines to be appropriate; and

(2) identifies within the planning, budgeting, and construction process all types of Federal facilities that may afford Federal high-performance green buildings; (B) an evaluation of the robustness of the criteria for high-performance building design, which shall give credit for promoting—

(I) use of renewable energy sources; and
(ii) building materials and building system controls;
(v) government leadership and local, State, and Federal high-performance green buildings; and

(3) establishes inconsistent, as reported to the Advisory Committee, in Federal law with respect to product acquisition guidelines and high-performance product guidance;

(4) recommends language for uniform standards for the use by Federal agencies in environmentally responsible acquisition;

(5) in coordination with the Office of Management and Budget, reviews the budget process for capital programs with respect to alternatives for—

(1) restructuring of budgets to require the use of complete energy and environmental cost accounting;
(B) using operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures as those measures can be quantified by the Office of Federal High-Performance Green Buildings, with the assistance of universities and colleges; and
(C) streamlining measures for permitting Federal agencies to retain all identified savings accrued as a result of the use of life-cycle costing for future high-performance green building initiatives; and

(2) identifying short-term and long-term cost savings that accrue from high-performance green buildings, including those relating to health and productivity;

(1) identifies green, self-sustaining technologies to address the operational needs of Federal facilities, especially security emergencies, natural disasters, or other dire emergencies;

(7) summarizes and highlights development, at the State and local level, of high-performance building data that are collected and reported to the Office; and

(8) includes, for the 2-year period covered by the report, recommendations to address each recommendation plan for implementation of each recommendation, described in paragraphs (1) through (7).

(8) IMPLEMENTATION.—The Executive Office of Federal High-Performance Green Buildings shall carry out each plan for implementation of recommendations under subsection (f)(8); and

(1) identification of certification system.—

(A) IN GENERAL.—For the purpose of this section, not later than 60 days after the date of enactment of this Act, the Federal Director shall identify and shall provide to the Secretary pursuant to section 305(a)(3)(D) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)(3)(D)), and section 455; and

(B) submit to the Federal Director, the Advisory Committee, the Administrator, and Congress a report describing the results of the audit.

(b) CONTENTS.—An audit under subsection (a) shall include a review, with respect to the period covered by the report under subsection (a)(2), of—

(1) budget, life-cycle costing, and contracting issues, using best practices identified by the Comptroller General of the United States; and
(2) the level of coordination among the Federal Director, the Office of Management and Budget, the Department of Energy, and relevant agencies;

(3) the performance of the Federal Director and other agencies in carrying out the implementation plan;

(4) the design stage of high-performance green building measures; and

(5) high-performance building data that were collected and reported to the Office; and

(6) such other matters as the Comptroller General of the United States determines to be appropriate.

(c) ENVIRONMENTAL STEWARDSHIP SCORECARD.—The Federal Director shall consult with the Advisory Committee to enhance, and assist in the implementation of, the Office of Management and Budget government efficiency reports and scorecards under section 436(d), and the Environmental Stewardship Scorecard announced at the White House summit on Federal sustainable buildings in
The sponsor of any development or redevelopment of a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the property with regard to the temperature, volume, and duration of any flow.

SEC. 439. COST-EFFECTIVE TECHNOLOGY ACCELERATION PROGRAM.

(a) DEFINITION OF ADMINISTRATOR.—In this section, the term ‘Administrator’ means the Administrator of General Services.

(b) ESTABLISHMENT.—The Administrator shall establish a program to accelerate the use of more cost-effective technologies and practices at GSA facilities.

(1) REQUIREMENTS.—The program established under this subsection shall—

(A) ensure centralized responsibility for the coordination of cost reduction-recommended practices, technologies, and activities of all relevant Federal agencies;

(B) provide technical assistance and operational guidance to applicable tenants to achieve the goal identified in subsection (c)(2)(B)(ii); and

(C) establish methods to track the success of Federal departments and agencies with respect to that goal.

(2) DEFINITION OF ADMINISTRATOR.—In this subsection—

(i) examine the use of cost-effective lighting technologies and geothermal heat pump technologies in each GSA facility. Such program shall fully comply with the requirements of law in accordance with those provisions, and (ii) as prepared in consultation with the Administrator of the Environmental Protection Agency, identify cost-effective lighting technologies by Federal agencies in GSA facilities and other cost-effective technologies and geothermal heat pumps.

(3) CONTENTS OF PLAN.—The review under sub-paragraph (A) shall—

(i) examine the use of cost-effective lighting technologies, geothermal heat pumps, and other cost-effective technologies and practices by Federal agencies in GSA facilities; and

(ii) as prepared in consultation with the Administrator of the Environmental Protection Agency, identify cost-effective lighting technologies and geothermal heat pumps.

(b) REQUIREMENTS.—The review under subparagraph (A) shall—

(B) include an estimate of the funds necessary to carry out sections 321 through 324, 431 through 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections.

(c) ACCELERATED USE OF TECHNOLOGIES.—

(1) REVIEW.—As part of the program under this section, not later than 90 days after the date of enactment of this Act, the Administrator shall conduct a review of—

(i) the current use of cost-effective lighting technologies and geothermal heat pumps in GSA facilities; and

(ii) the availability to managers of GSA facilities of cost-effective technologies and geothermal heat pumps.

(2) REQUIREMENTS.—The review under subparagraph (A) shall—

(i) identify the specific activities needed to achieve at least a 20-percent reduction in operational costs through the application of cost-effective technologies and practices to achieve at least a 20-percent reduction in operational costs through the application of cost-effective technologies and practices; and

(ii) describe activities required and carried out to estimate the funds necessary to achieve the reduction described in clauses (i) and (ii).

(b) include an estimate of the funds necessary to carry out this section.

(c) CONTENTS OF PLAN.—The plan shall—

(i) identify the specific activities needed to achieve at least a 20-percent reduction in operational costs through the application of cost-effective technologies and practices from 2003 levels at GSA facilities by not later than 5 years after the date of enactment of this Act.

Sec. 440. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out sections 434 through 439 and 482 $1,000,000 for each of fiscal years 2008 through 2012, to remain available until expended.

Sec. 441. PUBLIC BUILDING LIFE-CYCLE COSTS.

(c) Annual Report—The Administrator shall forward to the President and the Congress an annual report that includes cost-estimates of policies, practices, and projects that have the potential to substantially reduce the life-cycle costs for Federal buildings.

(a) DEFINITIONS.—In this part—

‘’(1) Administrator.—The term ‘Administrator’ means—

(i) the Director of the General Services Administration, and

(ii) the Administrator of the Federal Energy Management Program.

(2) Combined Heat and Power.—The term ‘combined heat and power’ means a facility that—

(i) produces simultaneously and efficiently produces useful thermal energy and electricity; and

Sec. 371. Definitions.

(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of General Services.
“(B) recovers not less than 60 percent of the energy value in the fuel (on a higher-heating-value basis) in the form of useful thermal energy and electricity.

“(2) IN GENERAL.—The term ‘net excess power’ means, for any facility, recoverable waste energy recovered in the form of electricity in quantities exceeding the total consumption of electric power at the specific time of generation on the site at which the facility is located.

“(3) PROJECT.—The term ‘project’ means a recoverable waste energy project or a combined heat and power system project.

“(4) RECOVERABLE WASTE ENERGY.—The term ‘recoverable waste energy’ means waste energy from which electric power or useful thermal energy may be recovered through modification of an existing facility or addition of a new facility.

“(5) REGISTRY.—The Registry means the Registry of Recoverable Waste Energy Sources established under section 572(d).

“(6) USEFUL THERMAL ENERGY.—The term ‘useful thermal energy’ means—

“(A) in the form of direct heat, steam, hot water, or other thermal form that is used in production and beneficial measures of heating, cooling, humidity control, process use, or other valid thermal end-use energy requirements; and

“(B) for which fuel or electricity would otherwise be consumed.

“(7) WASTE ENERGY.—The term ‘waste energy’ means—

“(A) exhaust heat or flared gas from any industrial process;

“(B) waste gas or industrial tail gas that would otherwise be flared, incinerated, or vented;

“(C) a pressure drop in any gas, excluding any pressure drop to a condenser that subsequently results in condensing heat; and

“(D) other forms of waste energy as the Administrator may determine.

“(8) OTHER TERMS.—The terms ‘electric utility’, ‘nongenerated electric utility’, ‘State regulated electric utility’, ‘State regulated electric utility’, and other terms have the meanings given those terms in title I of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.)

“SEC. 372. SURVEY AND REGISTRY.

“(a) RECOVERABLE WASTE ENERGY INVENTORY—

“(1) IN GENERAL.—The Administrator, in cooperation with the Secretary and State energy offices, shall establish a recoverable waste energy inventory program.

“(2) SURVEY.—The program shall include—

“(A) an ongoing survey of all major industrial and large commercial combustion sources in the United States (as defined by the Administrator) and the sites at which the sources are located; and

“(B) a review of each source for the quantity and quality of waste energy produced at the source.

“(b) CRITERIA—

“(1) IN GENERAL.—Not later than 270 days after enactment of the Energy Independence and Security Act of 2007, the Administrator shall publish a rule for establishing criteria for including sites in the Registry.

“(2) INCLUSIONS.—The criteria shall include—

“(A) a requirement that, to be included in the Registry, a project at the site shall be determined to be economically feasible by virtue of offering a payback of invested costs not later than 5 years after the date of first full project operation (including incentives offered under this part);

“(B) standards to ensure that projects proposed for inclusion in the Registry are not developed or used for the primary purpose of making sales of excess electric power under the regulatory provisions of this part; and

“(C) procedures for contesting the listing of any source or site on the Registry by any State, utility, or other interested person.

“(c) TECHNICAL SUPPORT.—On the request of the Administrator, the Secretary shall—

“(1) provide to owners or operators of combustion sources technical support; and

“(2) offer partial funding (in an amount equal to not more than ¼ of total costs) for feasibility studies to confirm whether or not investments in recovery of waste energy or combined heat and power at a source would offer a payback period of 5 years or less.

“(d) REGISTRY—

“(1) ESTABLISHMENT.—(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Energy Independence and Security Act of 2007, the Administrator shall establish a Registry of Recoverable Waste Energy Sources, and sites on which the sources are located, that meet the criteria established under subsection (b).

“(B) UPDATES; AVAILABILITY.—The Administrator shall—

“(i) update the Registry on a regular basis; and

“(ii) make the Registry available to the public on the website of the Environmental Protection Agency.

“(C) CONTESTING LISTING.—Any State, electric utility, or other interested person may contest the listing of any source or site by submitting a petition to the Administrator.

“(2) CONTENTS.—(A) IN GENERAL.—The Administrator shall register and include on the Registry all sites meeting the criteria established under subsection (b).

“(B) QUANTITY OF RECOVERABLE WASTE ENERGY.—The Administrator shall—

“(i) calculate the total quantities of potentially recoverable waste energy from sources at the sites, nationally and by State; and

“(ii) make public—

“(1) the total quantities described in clause (i) and

“(2) information on the criteria pollutant and greenhouse gas emissions savings that might be achieved with recovery of the waste energy from all sources and sites listed on the Registry.

“(3) AVAILABILITY OF INFORMATION.—(A) IN GENERAL.—The Administrator shall notify owners or operators of recoverable waste energy sources and sites listed on the Registry prior to publishing the listing.

“(B) DETAILED QUANTITATIVE INFORMATION.—(1) IN GENERAL.—Except as provided in clause (ii), the owner or operator of a source at a site may elect to have detailed quantitative information concerning the site not made public by notifying the Administrator of the election.

“(ii) LIMITED AVAILABILITY.—The information shall be made available to—

“(A) the applicable State energy office; and

“(B) any utility requested to support recovery of waste energy from the source pursuant to the incentives provided under section 374.

“(3) STATE TOTALS.—Information concerning the site shall be included in the total quantity of recoverable waste energy for a State unless there are fewer than 3 sites in the State.

“(4) REMOVAL OF PROJECTS FROM REGISTRY—

“(A) IN GENERAL.—Subject to subparagraph (B), as a project achieves successful recovery of waste energy, the Administrator shall—

“(i) remove the related sites or sources from the Registry;

“(ii) designate the removed projects as eligible for incentives under section 374.

“(B) LIMITATION.—No project shall be removed from the Registry without the consent of the owner or operator of the project if—

“(i) the owner or operator has submitted a petition under section 374; and

“(ii) the petition has not been acted on or denied.

“(e) INELIGIBILITY OF CERTAIN SOURCES.—The Administrator shall not list any source constructed after the date of the enactment of the Energy Independence and Security Act of 2007 in the Registry if the Administrator determines that the source—

“(A) was developed for the primary purpose of making sales of excess electric power under the regulatory provisions of this part; or

“(B) does not capture at least 60 percent of the total energy value of the fuels used (on a higher-heating-value basis) in the form of useful thermal energy, electricity, mechanical energy, chemical output, or any combination thereof.

“(f) SELF-CERTIFICATION.—(1) IN GENERAL.—Subject to any procedures that are established by the Administrator, an owner, operator, or third-party developer of a recovery of waste energy project that qualifies under standards established by the Administrator may self-certify the sites or sources of the owner, operator, or developer for inclusion in the Registry.

“(2) REVIEW AND APPROVAL.—To prevent a fraudulent listing, a site or source shall be included on the Registry only if the Administrator reviews and approves the self-certification.

“(g) NEW FACILITIES.—As a new energy-consuming industrial facility is developed after the date of enactment of the Energy Independence and Security Act of 2007, to the extent the facility may constitute a site with recoverable waste energy, the Secretary for inclusion on the Registry, the Administrator may elect to include the facility on the Registry, at the request of the owner, operator, or developer of the facility, on a conditional basis with the site to be removed from the Registry if the development ceases or the site fails to qualify for listing under this part.

“(h) OPTIMUM MEANS OF RECOVERY.—For each site listed in the Registry, at the request of the owner or operator of the site, the Administrator shall advise, in cooperation with Clean Energy Application Centers operated by the Secretary of Energy, suggestions for optimum means of recovery of value from waste energy steam, electric power, useful thermal energy, or other energy-related products.

“(i) REVISION.—Each annual report of a State under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) shall include the results of the survey for the State under this section.

“(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to—

“(1) the Administrator to create and maintain the Registry and services authorized by this section, $1,000,000 for each of fiscal years 2008 through 2012; and

“(2) the Secretary—

“(A) to assist State sources owners and operators in determining the feasibility of projects authorized by this section, $2,000,000 for each of fiscal years 2008 through 2012; and

“(B) to provide funding for State energy office efforts under this section, $2,000,000.

“SEC. 373. WASTE ENERGY RECOVERY INCENTIVE GRANT PROGRAM.

“(a) ESTABLISHMENT.—The Secretary shall establish in the Department of Energy a waste energy recovery incentive grant program to provide incentive grants to—
“(1) owners and operators of projects that successfully produce electricity or increment
ual useful thermal energy from waste energy
energy recovery;
(2) utilities purchasing or distributing the
electricity; and
(3) States that have achieved 80 percent or more of recoverable waste heat recovery opportunities
and payments of benefits to the waste heat from projects identified by the Secretary.
(b) GRANTS TO PROJECTS AND UTILITIES.—
(1) IN GENERAL.—The Secretary shall
make grants under this section to:
(A) the owner or operators of waste energy
recovery projects; and
(B) in the case of excess power purchased or
transmitted by a utility, to the utility.
(2) PROOF.—Grants may only be made
under this section on receipt of proof of
waste energy recovery or excess electricity
generation, or both, from the project in
a form prescribed by the Secretary.
(3) EXCESS ELECTRIC ENERGY.—
(A) IN GENERAL.—In the case of waste en-
ergy recovery, a grant under this section
shall be made at the rate of $10 per megawatt
hour of documented electricity produced from recoverable waste energy (or by prevent-
ion of waste energy) by the project during the first 3 cal-
endar years of production, beginning on or after the date of enactment of the Energy
(B) UTILITIES.—If the project produces
excess power and an electric utility pur-
chases or transmits the excess power, 50 per-
cent of so much of the grant as is attribu-
table to the net excess power shall be paid to the electric utility purchasing or trans-
mitting the excess power.
(4) USEFUL THERMAL ENERGY.—In the case of
waste energy recovery that produces useful
thermal energy that is used for a purpose
different from the energy recovery project,
which the project is principally designed, a grant under this sec-
tion shall be made to the owner or operator of the waste energy recovery project at the
rate of $10 for each 3,412,000 Btus of the ex-
cess thermal energy used for the different
purpose.
(c) GRANTS TO STATES.—In the case of any
State that has achieved 80 percent or more of waste
heat recovery opportunities identified by the Secretary under this part, the Admin-
istrator shall make a 1-time grant to the State in an amount of not more than $1,
000,000 to purchase an excess power plant.
(d) ELIGIBILITY.—The Secretary shall:
(1) establish rules and guidelines to establish
eligibility for grants under subsection (b);
(2) publicize the availability of the grant
program to owners or operators of re-
coverable waste energy sources and sites
listed on the Registry; and
(3) award grants under the program on
the basis of the merits of each project in re-
coveting useful thermal energy throughout the United States on an impar-
tial, objective, and not unduly discrimina-
tory basis.
(e) LIMITATION.—The Secretary shall not
award grants to any person for a combined
heat and power project or a waste heat re-
covery project that qualifies for specific Fed-
eral funding or other combined heat and
d power or for waste heat recovery.
(f) AUTHORIZATION OF APPROPRIATIONS.—
There are authorized to be appropriated to the Secretary—
(1) to make grants to projects and utilities
under subsection (b); and
(2) $300,000,000 for each of fiscal years 2008
through 2012; and
(3) such additional amounts for fiscal
year 2008 and each fiscal year thereafter as
may be necessary for administration of the
waste energy recovery incentive grant pro-
gram; and
(4) to make grants to States under sub-
section (b), $10,000,000 for each of fiscal years
2008 through 2012, to remain available until
expended.
SEC. 374. ADDITIONAL INCENTIVES FOR RECOV-
ERY, USE, AND PREVENTION OF IN-
EFFICIENCY.—
(a) CONSIDERATION OF STANDARD.—
(1) IN GENERAL.—Not later than 180 days
after the receipt by a State regulatory au-
thority (or nonregulated electric utility, for
which the authority has rate-making au-
thority, or nonregulated electric utility, of
a request from a project sponsor or owner or
operator), the State regulatory authority or
nonregulated electric utility shall—
(A) provide public notice and conduct a
hearing respecting the standard established
by subsection (b); and
(B) on the basis of the hearing, consider
and make a determination whether or not it
is appropriate to implement the standard
to carry out the purposes described in
paragraph (1).
(2) RELATIONSHIP TO STATE LAW.—For pur-
poses of any determination under paragraph (1) and any review of the determination by
any court, the standard shall sup-
plement otherwise applicable State law.
(b) NONADOPTION OF STANDARD.—Nothing
in this part prohibits any State regulatory
authority from making any determination that it is
not appropriate to adopt any standard de-
scribed in paragraph (1), pursuant to author-
ity under otherwise applicable State law.
(c) OPTIONS.—
(1) SCHEDULE FOR USE OF EXCESS
POWER.—The electric utility shall purchase the
net excess power from the owner or operator of the eligible waste energy recovery project
under the circumstances described in paragraph (3).
(2) TRANSPORT OVER PRIVATE TRANS-
MISSION LINES.—The State and the electric utility shall enter into a contract for direct sale to the utility for distribution system
uses.
(3) APPLICABLE RATES.
(A) PER UNIT DISTRIBUTION COSTS.—The term ‘per unit distribution costs’ means the
net cost of transmission services provided by
a utility on a per-kilo-
watthour basis as included in the retail rate
of the utility.
(B) OPTIONS.—The options described in paragraphs (1) and (2) in subsection (c) shall
be offered under purchase and transport rates
that may be less than or equal to the rates defined under paragraph (1) as applicable under the circumstances described in para-
graph (3).
(C) PER UNIT TRANSMISSION COSTS.—The
term ‘per unit transmission costs’ means the
net cost of transmission services provided by
a utility on a per-kilo-
watthour basis as included in the retail rate
of the utility.
(4) RATES APPLICABLE RATES.—
(A) RATES APPLICABLE TO SALE OF NET
EXCESS POWER. —
(i) IN GENERAL.—Sales made by a project
owner or operator of the net excess power
that is used for direct sale to the utility for
power purchased by the facility minus per unit distribution costs, that applies to the type of utility
purchasing the power.
(ii) VOLTAGES EXCEEDING 25 KILOVOLTS.—If the
net excess power is made available for
purchase at voltages that must be trans-
formed to or from voltages exceeding 25 kilo-
volts to be available for resale by the utility,
the purchase price shall further be reduced by per unit transmission costs.
(iii) VOLTAGES NOT EXCEEDING 25 KILOVOLTS.—If the
net excess power is made available for
purchase at voltages that do not exceed 25 kilo-
volts to be available for resale by the utility,
the purchase price shall further be reduced by per unit transmission costs.
(B) RATES APPLICABLE TO TRANSPORT BY
UTILITY FOR DIRECT SALE TO THIRD PARTIES.—The following rates shall
apply to third parties at those locations defined under paragraph (1) as applicable under the circumstances described in para-
graph (3).
(i) IN GENERAL.—Transportation by utili-
ties of power on behalf of the owner or oper-
ator of a project under the option described
in subsection (c)(1) shall be paid for on a per kilowatt hour basis that shall equal the full undiscounted retail rate
of the utility for power purchased by the
utility from making any determination that it
is not appropriate to adopt any standard de-
scribed in paragraph (1), pursuant to author-
ity under otherwise applicable State law.
(ii) VOLTAGES EXCEEDING 25 KILOVOLTS.—If the
net excess power is made available for
purchase at voltages that must be trans-
formed to or from voltages exceeding 25 kilo-
volts to be available for resale by the utility,
the purchase price shall further be reduced by per unit transmission costs.
(iii) VOLTAGES NOT EXCEEDING 25 KILOVOLTS.—If the
net excess power is made available for
transportation at voltages that must be transformed to or from voltages exceeding 25 kilovolts to be transported to the designated third-party purchasers, the transport rate shall not be increased by per unit transmission costs.

"(iii) States with competitive retail markets for electricity.—In a State with a competitive retail electricity market, the applicable transportation rate for similar transportation shall be applied in lieu of any rate calculated under this paragraph.

"(A) in general.—Any rate established for sale or transportation under this section shall:

"(i) be modified over time with changes in the underlying costs or rates of the electric utility; and

"(ii) reflect the same time-sensitivity and billing periods as are established in the retail sales or transportation rates offered by the utility.

"(B) LIMITATION.—No utility shall be required to purchase or transport a quantity of net excess power under this section that exceeds the available capacity of the wires, meters, or other equipment of the electric utility serving the site unless the owner or operator of the project agrees to pay necessary and reasonable upgrade costs.

"(a) REMARKS.—The determination referred to in subsection (a) shall be made after public notice and hearing.

"(b) ADMINISTRATION.—The determination referred to in subsection (a) shall be—

"(1) in writing;

"(ii) based on findings included in the determination and on the evidence presented at the hearing;

"(iii) available to the public.

"(2) INTERVENTION BY ADMINISTRATOR.—The Administrator may intervene as a matter of right in a proceeding conducted under this section—

"(A) to calculate—

"(i) the energy and emissions likely to be saved by electing to adopt 1 or more of the options; and

"(ii) the costs and benefits to ratepayers and the utility; and

"(B) for the waste-energy recovery opportunity.

"(3) PROCEDURES.—

"(A) IN GENERAL.—Except as otherwise provided in paragraphs (1) and (2), the procedures for the consideration and determination referred to in subsection (a) shall be the procedures established by the State regulatory authority or the nonregulated electric utility.

"(B) MULTIPLE PROJECTS.—If there is more than one project seeking consideration simultaneously in connection with the same utility, the proceeding may encompass all such projects, if full attention is paid to individual merits and merits and an individual judgment is reached with respect to each project.

"(d) IMPLEMENTATION.—

"(1) IN GENERAL.—The State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility may, to the extent consistent with otherwise applicable State law—

"(A) implement the standard determined under this section; or

"(B) decline to implement any such standard.

"(2) NONIMPLEMENTATION OF STANDARD.—

"(A) IN GENERAL.—If a State regulatory authority or nonregulated electric utility (for which the authority has ratemaking authority) or nonregulated electric utility declines to implement any standard established by this section, the authority or nonregulated electric utility shall state in writing the reasons for declining to implement the standard.

"(B) AVAILABILITY TO PUBLIC.—The statement of reasons shall be available to the public.

"(C) ANNUAL REPORT.—The Administrator shall include in an annual report submitted to Congress a description of the lost opportunities for waste-heat recovery from the projects described in subparagraph (A), specifically identifying the utility and stating the quantity of lost energy and emissions savings called for under this section.

"(D) NEW PETITION.—If a State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility declines to implement the standard established by this section, the project sponsor may submit a new petition under this section with respect to the project at any time after the date that is 2 years after the date on which the State regulatory authority or nonregulated utility declined to implement the standard.

"SEC. 375. CLEAN ENERGY APPLICATION CENTERS.

"(a) REMAPING.—

"(1) IN GENERAL.—The Combined Heat and Power Application Centers of the Department of Energy are redesignated as Clean Energy Application Centers.

"(2) REFERENCES.—Any reference in any law, rule, regulation, or publication to a Combined Heat and Power Application Center shall be treated as a reference to a Clean Energy Application Center.

"(b) RELOCATION.—

"(1) IN GENERAL.—In order to better coordinate efforts with the separate Industrial Assessment Centers and to ensure that the energy efficiency and, when applicable, the renewable nature of deploying mature clean energy technologies is fully accounted for, the Secretary shall relocate the administration of the Clean Energy Application Centers to the Office of Energy Efficiency and Renewable Energy within the Department of Energy.

"(2) OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY.—The Office of Electricity Delivery and Energy Reliability shall—

"(A) continue to perform work on the role of technology in paragraph (1) in support of the grid and the reliability and security of the technology; and

"(B) assist the Clean Energy Application Centers in the work of the Centers with regard to the grid and with electric utilities.

"(c) GRANTS.—

"(1) IN GENERAL.—The Secretary shall make grants to universities, research centers, state authorities, and other appropriate institutions to ensure the continued operations and effectiveness of the Regional Clean Energy Application Centers in each of the following regions (as designated for such purposes as of the date of the enactment of the Energy Independence and Security Act of 2007):

"(A) Gulf Coast.

"(B) Intermountain.

"(C) Mid-Atlantic.

"(D) Midwest.

"(E) Northeast.

"(F) Northwest.

"(G) Pacific.

"(H) Southeast.

"(i) ESTABLISHMENT OF GOALS AND COMPLIANCE.—In making grants under this section, the Secretary shall ensure that sufficient goals are established and met by each Clean Energy Application Center concerning outreach and technology deployment.

"(ii) ANNUAL EVALUATIONS.—Each Clean Energy Application Center shall—

"(A) operate a program to encourage deployment of clean energy technologies to overcome barriers to deployment; and

"(B) to develop and conduct target market workshops, seminars, internet programs, and other activities to educate end users, regulators, and stakeholders in a manner that leads to the deployment of clean energy technologies;

"(C) to provide or coordinate onsite assessments for sites and enterprises that may consider deployment of clean energy technology;

"(D) to perform market research to identify high-profile candidates for clean energy deployment;

"(E) to provide consulting support to sites considering deployment of clean energy technologies; and

"(F) to assist organizations developing clean energy technologies to overcome barrier to deployment; and

"(G) to assist companies and organizations with performance evaluations of any clean energy technology implemented.

"(2) DURATION.—

"(1) IN GENERAL.—A grant awarded under this section shall be for a period of 5 years.

"(2) ANNUAL EVALUATIONS.—Each grant shall be evaluated annually for the continuation of the grant based on the activities and results of the grant.

"(3) AUTHORIZATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2008 through 2012.

"(b) TABLE OF CONTENTS.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. prec. 6201) is amended by inserting after the items relating to part D of title III the following:

"PART E—INDUSTRIAL ENERGY EFFICIENCY

"Sec. 371. Definitions.

"Sec. 372. Survey and Registry.

"Sec. 373. Waste energy recovery incentive grant program.

"Sec. 374. Additional incentives for recovery, utilization and prevention of industrial waste energy.

"Sec. 375. Clean Energy Application Centers.

"SEC. 452. ENERGY-INTENSIVE INDUSTRIES PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term ‘‘eligible entity’’ means—

"(A) an energy-intensive industry;

"(B) a national trade association representing an energy-intensive industry;

"(C) a person acting on behalf of 1 or more energy-intensive industries; and

"(D) as determined by the Secretary.

"(2) ENERGY-INTENSIVE INDUSTRY.—The term ‘‘energy-intensive industry’’ means an industry that uses significant quantities of energy as part of its primary economic activities, including—

"(A) information technology, including data centers containing electrical equipment used in processing, storing, and transmitting digital information;
(A) consumer product manufacturing; (B) food processing; (C) materials manufacturing, including—
(i) automotive; (ii) building and construction; (iii) forest and paper products; (iv) metal casting; (v) glass; (vi) materials processing; (vii) mining; and (viii) steel; (E) other energy-intensive industries, as determined by the Secretary.

(3) PROPOSALS.—(A) IN GENERAL.—To be eligible for funding under this section, a proposal shall be submitted to the Secretary for each fiscal year in which the Secretary determines to appropriate funds.

(b) VOLUNTARY NATIONAL INFORMATION PROGRAM.—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary and the Administrator of the Environmental Protection Agency shall, after consulting with appropriate Federal, state, and local agencies, and other interested parties, initiate a voluntary national information program for data centers and data center equipment and facilities that are widely used and for which there is a potential for significant data center energy savings as a result of the program.

(c) PROVISIONS.—The program described in paragraph (1) shall—
(1) address data center efficiency holistically, reflecting the total energy consumption of data centers and devices systems, including, but not limited to, both equipment and facilities; (C) means the raw material supplied for use in manufacturing, chemical, and biological processes; (D) establish a program under which the Secretary shall establish a program to support the conduct of activities to determine the types of industries and uses of products that would significantly improve the energy efficiency and the economic competitiveness of the United States' industrial and commercial sectors.

(d) SUPPORT PROGRAM.—The Secretary shall establish a program under which the Secretary, in cooperation with energy-intensive industries and national industry trade associations representing the energy-intensive industries, shall support, research, develop, and promote the use of new materials and processes, and policies and technologies to optimize energy efficiency and the economic competitiveness of the United States' industrial and commercial sectors.

(e) INSTITUTION OF HIGHER EDUCATION-MENT CENTERS.—The Secretary shall provide competitive grants for innovative technology research, development and demonstration activities to universities, individual inventors, and small companies, based on energy savings potential, commercial viability, and technical merit.

(f) INSTITUTION OF HIGHER EDUCATION—BASED INDUSTRIAL RESEARCH AND ASSESSMENT CENTERS.—The Secretary shall provide funding to institution of higher education-based research centers, whose purpose shall be to identify opportunities for optimizing energy efficiency and environmental performance, and transmit digital information, which may be disseminated through catalogs, trade publications, and other mechanisms, that will promote the use of energy-efficient equipment and facilities.

(g) voluntary national information program—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary and the Administrator of the Environmental Protection Agency shall, after consulting with appropriate Federal, state, and local agencies, and other interested parties, initiate a voluntary national information program for those types of data centers and data center equipment and facilities that are widely used and for which there is a potential for significant data center energy savings as a result of the program.

(h) Voluntary national information program—(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary and the Administrator of the Environmental Protection Agency shall, after consulting with appropriate Federal, state, and local agencies, and other interested parties, initiate a voluntary national information program for those types of data centers and data center equipment and facilities that are widely used and for which there is a potential for significant data center energy savings as a result of the program.

(i) PROVISIONS.—The program described in paragraph (1) shall—
(1) address data center efficiency holistically, reflecting the total energy consumption of data centers and devices systems, including, but not limited to, both equipment and facilities; (C) means the raw material supplied for use in manufacturing, chemical, and biological processes; (D) establish a program under which the Secretary shall establish a program to support the conduct of activities to determine the types of industries and uses of products that would significantly improve the energy efficiency and the economic competitiveness of the United States' industrial and commercial sectors.
This page contains a complex legislative text discussing the establishment of a program for energy efficiency in data centers and information technology equipment. The program is to include voluntary standards, measurements, and benchmarks. It also mentions the involvement of various stakeholders, such as the Secretary of Energy, the Administrator of the National Institute of Standards and Technology, and industry representatives. The text also touches on the establishment of a public clearinghouse and the implementation of energy efficiency programs in schools, including the Energy Star Program and the Energy Independence and Security Act of 2007. It outlines various provisions for the establishment of such programs, including the Secretary's and the Administrator's roles in consultation and implementation, as well as the consideration of existing programs and technologies in the development of new ones.
Control Act (15 U.S.C. 3691 et seq.) is amend-
ed by adding at the end the following:

**TITLE V—HEALTHY HIGH-
PERFORMANCE SCHOOLS**

"Sec. 501. Grants for healthy school environ-
ment programs.

(a) Definition. —The term ‘‘healthy school environment program’’ means a project for the planning, development, or implemen-
tation of a school program aimed at improving the environment of a school, including, but not limited to, indoor air quality, thermal comfort, acoustics, and visual comfort.

(b) Content. —The project shall include:

(1) An analysis of the current environmental conditions at the school,

(2) A description of proposed improvements, and

(3) A plan for monitoring and evaluating the effectiveness of the project.

SEC. 502. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for this title $100,000,000 for each of fiscal years 2008 through 2012.

Subtitle F—Institutional Entities

**SEC. 471. ENERGY SUSTAINABILITY AND EFFICIENCY GRANTS AND LOANS FOR INSTITUTIONS.**

Part G of title III of the Energy Policy and Conservation Act is amended by inserting after section 399 (42 U.S.C. 6791) the following:

**SEC. 399A. ENERGY SUSTAINABILITY AND EFFICIENCY GRANTS AND LOANS FOR INSTITUTIONS.**

(a) Definitions.—In this section:

(1) **Combines heat and power.** —The term ‘‘combines heat and power’’ means the generation of electric energy and heat in a single, integrated system, with an overall thermal efficiency of 60 percent or greater on a higher-heating-value basis.

(2) **District energy systems.** —The term ‘‘district energy systems’’ means systems providing thermal energy from a renewable energy source or an energy source that is highly effi-
cient technology to more than 1 building or fixed energy-consuming use from 1 or more thermal-energy production facilities through piping or other means to provide space heating, space conditioning, hot water, steam, compression, process energy, or other end uses for that energy.

(3) **Energy sustainability.** —The term ‘‘energy sustainability’’ includes using a renewable energy source, thermal energy source, or a highly efficient technology for transportation, electricity generation, heat-
ing, cooling, lighting, or other energy serv-
ces in fixed installations.

(4) **Innovation.** —The term ‘‘innovation’’ means technology that has the potential for implementation or improvement of sustainable energy infrastructure.

(b) In General.—The Administrator of the Environmental Protection Agency shall enter into a memorandum of understanding with the Secretary of Education and the Secretary of Energy to develop and conduct a study of how sus-
tainable building features such as energy ef-
ficiency affect multiple perceived indoor en-
vIRONMENTAL QUALITY factors on the grounds and facilities of an institutional entity.

(c) Authorization of Appropriations.—There are authorized to be appropriated for

(1) **Institutions of Higher Education.** —$40,000,000 for each of fiscal years 2008 through 2012.

(2) **Public School Districts.** —$40,000,000 for each of fiscal years 2008 through 2012.

(3) **Other Entities.** —$20,000,000 for each of fiscal years 2008 through 2012.

Subtitle G—Energy Infrastructure Projects

**SEC. 472. PROGRAMS TO SUPPORT ENERGY INFRASTRUCTURE PROJECTS.**

(a) General.—The Administrator of the Energy and Natural Resources

(1) **Energy infrastructure projects.** —The term ‘‘energy infrastructure projects’’ means projects for the planning, development, or implementation of energy infrastructure projects.

(2) **Institution of Higher Education.** —The term ‘‘institution of higher education’’ means—

(A) an educational entity that includes an institution of higher education, a public school district, a local government, a municipal utility, or a designee of 1 of those entities;

(B) a public school district; and

(C) a state or other governmental entity.

(b) In General.—The Administrator of the Energy and Natural Resources shall—

(1) carry out programs to support energy infrastructure projects in each State;

(2) conduct a study to determine the appropriate amount for grants under this section and report such findings to the Congress; and

(3) prioritize energy infrastructure projects in energy sus-
tainable entities.

(c) Authorization of Appropriations.—There are authorized to be appropriated for this title $50,000,000 for each of fiscal years 2008 through 2012.

**SEC. 473. STUDY ON INDOOR ENVIRONMENTAL QUALITY.**

(a) General.—The Administrator of the Environmental Protection Agency shall enter into an arrangement with the Secretary of Education to conduct a study of how sustainable building features such as energy ef-
ficiency affect multiple perceived indoor en-
vIRONMENTAL QUALITY factors on the grounds and facilities of an institutional entity.

(b) Authorization of Appropriations.—There are authorized to be appropriated for this title $20,000,000 for each of fiscal years 2008 through 2012.
“(ii) 75 percent of the cost of feasibility studies to assess the potential for implementation or improvement of sustainable energy infrastructure; and

(iii) an amount equal to the lesser of—

(A) $90,000; or

(B) 60 percent of the cost of overcoming barriers to project implementation, such as contractual, siting, and permitting barriers; and

(C) an amount equal to the lesser of—

(i) $90,000; or

(ii) 40 percent of the cost of detailed engineering and design of sustainable energy infrastructure.

SEC. 491. DEMONSTRATION PROJECT.

(A) AUTHORIZATION.

There is authorized to be appropriated in the 2008 Energy Conservation and Production Act (42 U.S.C. 6809) to the Secretary of Energy, for each of fiscal years 2008 through 2013, $350,000,000 for projects conducted under this section.

(B) ADMINISTRATION.

The Secretary shall—

(i) establish a demonstration project program under this section;

(ii) make grants for eligible projects under this section; and

(iii) enter into contracts for eligible projects under this section.

SEC. 492. INSTITUTIONAL INVESTMENT.

(A) AUTHORIZATION.

There is authorized to be appropriated in the 2008 Energy Conservation and Production Act (42 U.S.C. 6809) to the Secretary of Energy, for each of fiscal years 2008 through 2013, $200,000,000 for projects conducted under this section.

(B) ADMINISTRATION.

The Secretary shall—

(i) establish a demonstration project program under this section;

(ii) make grants for eligible projects under this section; and

(iii) enter into contracts for eligible projects under this section.

SEC. 493. EFFECTIVE DATE.

This title shall take effect 1 year after the date of enactment of this Act.
(2) no fewer than 4 demonstration projects at 4 universities, that, as competitively selected by the Commercial Director in accordance with subsection (c)(2), have—
(A) the best research resources and relevant projects to meet the goals of the demonstration project established by the Office of Commercial High-Performance Green Buildings; and
(B) the ability—
(i) to serve as a model for high-performance green building initiatives, including research, by achieving the highest rating offered by the high-performance green building system identified pursuant to section 436(b); and
(ii) to identify the most effective ways of use high-performance green building and landscape technologies to engage and educate local, state, and graduate students;
(iii) to effectively implement a high-performance green building education program for students and occupants; and
(iv) to demonstrate the effectiveness of various high-performance technologies, including their impacts on energy use and operational costs, in each of the 4 climatic regions of the United States described in subsection (c)(2)(B); and
(v) to explore quantifiable and nonquantifiable beneficial impacts on public health and employment performance.
(3) demonstration projects to evaluate replicable approaches of achieving high performance in actual building operation in various locations in existing commercial buildings in various climates;
(4) deployment activities to disseminate information on and encourage widespread adoption of technologies, practices, and policies to achieve zero-net-energy commercial buildings or low energy use and effective monitoring of energy use in commercial buildings.
(c) CRITERIA.—
(1) FEDERAL FACILITIES.—With respect to the existing or proposed Federal facility at which a demonstration project under this section is conducted, the Federal facility shall—
(A) be an appropriate model for a project relating to—
(i) the effectiveness of high-performance technologies;
(ii) analysis of materials, components, systems, and emergency operations in the building, and the impact of those materials, components, and systems, and emergency operations in the building on the health of building occupants;
(iii) life-cycle costing and life-cycle assessment of building materials and systems; and
(iv) design that promote access to the Federal facility through walking, biking, and mass transit; and
(B) possess sufficient technological and organizational assets;
(2) UNIVERSITIES.—With respect to the universities at which a demonstration project under this section is conducted—
(A) should be selected, after careful review of all applications received containing the required information, as determined by the Commercial Director, based on—
(i) successful and established public-private research and development partnerships;
(ii) demonstrated capabilities to construct or renovate buildings that meet high indoor environmental quality standards;
(iii) organizational flexibility;
(iv) technological adaptability;
(v) the demonstrated capacity of at least 1 university to replicate lessons learned among nearby or sister universities, preferably by participation in groups or consortia; and
(vi) the demonstrated capacity of at least 1 university to have officially-adopted, institution-wide ‘‘high-performance green building’’ guidelines for all campus building projects; and
(vii) the demonstrated capacity of at least 1 university to have officially-adopted, institution-wide ‘‘high-performance green building’’ guidelines for all campus building projects; and
(viii) access to public transportation; and
(ix) other issues relating to the health, comfort, productivity, and performance of occupants of the building;
(B) promote the development and dissemination of high-performance green building measurement tools that, at a minimum, may be used—
(i) to monitor and assess the life-cycle performance of facilities (including demonstration projects) built as high-performance green buildings; and
(ii) to perform life-cycle assessments; and
(C) identifies and tests new and emerging technologies for high performance green buildings;
(D) assists the budget and life-cycle costing functions of the Directors’ Offices under section 436(d);
(4) study and identify potential benefits of green building technologies relating to security, natural disaster, and emergency needs of the Federal Government; and
(5) support other research initiatives determined to be of significant value.
(b) GUIDELINES.—
(1) IN GENERAL.—The Director shall establish a series of guidelines for conducting research and education by achieving the high-performance green building guidelines for all campus building projects.
(2) DEVELOPMENT.—The Administrator shall develop the guidelines in consultation with the Advisory Committee, the Commercial Director, and the Federal Director.
(3) SUBMISSION.—The Administrator shall submit the guidelines to the Federal Director for comment and approval at least 30 days prior to publication of the guidelines in the Federal Register.
(4) IMPLEMENTATION.—The guidelines shall be implemented in accordance with subsection (c).
(c) DISSEMINATION.—
(1) IN GENERAL.—The Secretary of Labor shall, in accordance with sections 3141 through 3147 of title 5, and section 436(d), publish the guidelines under this section.
(2) CONTENT.—The guidelines shall describe—
(A) the quality, life-cycle assessment, and environmental impacts of high-performance green buildings, including their impacts on energy use and the contractual obligations they provide;
(B) the selection of high-performance green building projects; and
(C) the demonstration projects conducted under this section.
(d) REPORT.—The Secretary shall prepare and submit to the Congress, not later than 1 year after the date of enactment of this Act, and annually thereafter, a report describing the status of the demonstration projects conducted under this section.
(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the demonstration projects described in this subsection $10,000,000 for each of fiscal years 2008 through 2012, and to carry out the demonstration projects described in subsection (b)(2), $10,000,000 for the period of fiscal years 2008 through 2012, to remain available until expended.
(f) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall submit to the Federal Director a report that describes the status of the demonstration projects.
(2) each University at which a demonstration project under this section is conducted shall submit to the Secretary a report that describes the status of the demonstration projects conducted by that University.
(g) COST-EFFECTIVE TECHNOLOGIES.—The Administrator shall—
(i) develop and recommend a high-performance green building research plan that—
(A) identifies information and research needs, including the relationships between human health, occupant productivity, safety, security, comfort, and efficiency of the building;
(ii) natural day lighting;
(iii) ventilation, heating, cooling, and system control choices and technologies;
(iv) heating, cooling, and system control choices and technologies; and
(v) moisture control and mold.
(2) establish, in consultation with appropriate Federal agencies and officials, a national strategy to encourage the implementation of cost-effective technologies and practices reported by the Administrator, and to ensure that the Federal workforce and facility occupants—
(i) during new construction and renovation of facilities; and
(ii) in existing facilities.
SEC. 493. ENVIRONMENTAL PROTECTION AGENCY DEMONSTRATION GRANT PROGRAM FOR LOCAL GOVERNMENTS.
Title III of the Clean Air Act (42 U.S.C. 7601 et seq.) is amended by adding at the end the following:
SEC. 329. DEMONSTRATION GRANT PROGRAM FOR LOCAL GOVERNMENTS.
(1)(A) GRANT PROGRAM.—
(i) IN GENERAL.—The Administrator shall establish a demonstration program under which the Administrator shall provide competitive grants to assist local governments (such as municipalities and counties), with respect to local government buildings—
(ii) to deploy cost-effective technologies and practices; and
(iii) to achieve operational cost savings through the application of cost-effective technologies and practices, as verified by the Administrator.
(2) WAIVER OF NON-FEDERAL SHARE.—The Administrator may waive up to 100 percent of the local share of the cost of any grant under this section if the Administrator determines that the community is economically distressed, pursuant to objective economic criteria established by the Administrator.
(b) AMOUNT.—The amount of a grant provided under this subsection shall not exceed $1,000,000.
SEC. 492. RESEARCH AND DEVELOPMENT.
(a) ESTABLISHMENT.—The Federal Director and the Commercial Director, jointly and in consultation with the Advisory Committee, shall—
(1) survey existing research and studies relating to high-performance green buildings;
(2) develop and recommend a high-performance green building research plan that—
(A) identifies information and research needs, including the relationships between human health, occupant productivity, safety, security, comfort, and efficiency of the building;
(iv) heating, cooling, and system control choices and technologies;
(v) moisture control and mold.
(2) establish, in consultation with appropriate Federal agencies and officials, a national strategy to encourage the implementation of cost-effective technologies and practices reported by the Administrator, and to ensure that the Federal workforce and facility occupants—
(i) during new construction and renovation of facilities; and
(ii) in existing facilities.
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(a) ESTABLISHMENT.—The Federal Director and the Commercial Director, jointly and in consultation with the Advisory Committee, shall—
(1) survey existing research and studies relating to high-performance green buildings;
(2) develop and recommend a high-performance green building research plan that—
(A) identifies information and research needs, including the relationships between human health, occupant productivity, safety, security, comfort, and efficiency of the building;
assistance and education, relating to the retrofit of buildings using cost-effective technologies and practices; and

(c) a requirement that each local government not a grant under this section shall achieve facility-wide cost savings, through renovation of existing local government buildings using cost-effective technologies and practices of at least 15 percent as compared to the baseline operational costs of the buildings before the renovation (as calculated assuming a 3-year, weather-normalized average).

"(c) COMPLIANCE WITH STATE AND LOCAL LAW.—Nothing in this section or any program carried out using a grant provided under this section shall affect any State or local law, to the extent that the State or local law contains a requirement that is more stringent than the relevant requirement of this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2007 through 2012.

"(e) REPORTS.—

"(1) IN GENERAL.—The Administrator shall provide annual reports to Congress on cost savings achieved and actions taken and recommendations made under this section, and any recommendations for further action.

"(2) FEDERAL ADVISORY COMMITTEE.—The Administrator shall issue a final report at the conclusion of the program, including findings, a summary of total cost savings achieved, and recommendations for further action.

"(f) TERMINATION.—The program under this section shall terminate on September 30, 2012.

"(g) DEFINITIONS.—In this section, the terms ‘cost effective technologies and practices’ and ‘operating cost savings’ shall have the meanings given in section 401 of the Energy Independence and Security Act of 2007.

"SEC. 484. GREEN BUILDING ADVISORY COMMITTEE.—

(a) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Federal Director, in coordination with the Commercial Director, shall establish an advisory committee, to be known as the ‘Green Building Advisory Committee’.

(b) MEMBERSHIP.—

(i) Each agency referred to in section 421(e), in coordination with the Commercial Director, shall be represented on the Committee.

(ii) Other representatives may be invited by the Committee.

(iii) The Committee shall be composed of representatives of, at a minimum—

(A) each agency referred to in section 421(e)

(B) other relevant agencies and entities, as determined by the Federal Director, including at least 1 representative of each of—

(1) State and local governmental green building programs;

(2) independent green building associations or councils;

(3) building experts, including architects, material suppliers, and construction contractors;

(4) security advisors focusing on national security needs, natural disasters, and other dire emergency situations;

(5) public transportation industry experts; and

(6) environmental health experts, including those with experience in children’s health.

(c) NON-FEDERAL MEMBERS.—The total number of non-Federal members on the Committee at any time shall not exceed 15.

(d) MEETINGS.—The Federal Director shall establish a regular schedule of meetings for the Committee.

(e) DUTIES.—The Committee shall provide advice and expertise for use by the Federal Director and coordinate with the program under this subtitle, including such recommendations relating to Federal activities carried out under sections 434 through 436 as are agreed to by a majority of the members of the Committee.

"(f) FACA EXEMPTION.—The Committee shall be subject to section 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

"SEC. 485. ADVISORY COMMITTEE ON ENERGY EFFICIENCY FINANCE.—

(a) ESTABLISHMENT.—The Secretary, acting through the Assistant Secretary of Energy for Energy Efficiency and Renewable Energy, shall establish an Advisory Committee on Energy Efficiency Finance to provide advice and recommendations to the Department on energy efficiency finance and investment issues, options, ideas, and trends, and to assist the Administrator in identifying all practical ways of lowering costs and increasing investments in energy efficiency technologies.

(b) MEMBERSHIP.—The advisory committee established under this section shall include at least 1 representative of each of—

(1) State and local governments;

(2) building programs;

(3) non-Federal energy and environmental organizations;

(4) energy-related financial institutions;

(5) building operators;

(6) commercial landlords; and

(7) environmental health experts.

"(c) REPORT.—The Committee shall submit to the Administrator a report on the results of the Committee’s deliberations and recommendations.

"(d) FACA EXEMPTION.—The Committee shall be subject to section 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

"SEC. 502. CAPITOL COMPLEX E-85 REFUELING STATION.—

(a) CONSTRUCTION.—The Architect of the Capitol may construct a fuel tank and pumping system for E-85 fuel at or within close proximity to the Capitol Grounds Fuel Station.

(b) USE.—The E-85 fuel tank and pumping system shall be available for use by all legislative branch vehicles capable of operating with E-85 fuel to respect to such other legislative branch agencies reimbursing the Architect of the Capitol for the costs of E-85 fuel used by such other legislative branch vehicles.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000.

"SEC. 505. CAPITAL COMPLEX PHOTOVOLTAIC ROOF FEASIBILITY STUDIES.—

(a) STUDIES.—The Architect of the Capitol may conduct feasibility studies regarding the use of photovoltaic roofs for the Rayburn House Office Building and the Hart Senate Office Building.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Architect of the Capitol shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Rules and Administration of the Senate a report on the results of the feasibility studies and recommendations regarding construction of photovoltaic roofs for the buildings referred to in subsection (a).

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000.

"SEC. 506. PROMOTING MAXIMUM EFFICIENCY IN OPERATION OF CAPITOL POWER PLANTS.—

(a) STEAM BOILERS.—

(1) IN GENERAL.—The Architect of the Capitol shall take such steps as may be necessary to operate the steam boilers at the Capitol Power Plant in the most energy efficient manner possible to minimize carbon emissions and operating costs, including adjusting steam pressures and adjusting the operation of the boilers to account for variations in demand, including seasonality, for the use of the system.

(2) EFFECTIVE DATE.—The Architect shall implement the steps required under paragraph (1) not later than 30 days after the date of enactment of this Act.

(b) CHILLER PLANT.—

(1) IN GENERAL.—The Architect of the Capitol shall take such steps as may be necessary to operate the chiller plant at the Capitol Power Plant in the most energy efficient manner possible to minimize carbon emissions and operating costs, including adjusting water temperatures and adjusting the operation of the chillers to take into account variations in demand, including seasonality, for the use of the system.

(2) EFFECTIVE DATE.—The Architect shall implement the steps required under paragraph (1) not later than 30 days after the date of enactment of this Act.

(c) METERS.—Not later than 90 days after the date of enactment of this Act, the Architect of the Capitol shall evaluate the accuracy of the meters in use at the Capitol Power Plant and correct them as necessary.

(d) REPORT ON IMPLEMENTATION.—Not later than 180 days after the date of the enactment of this Act, the Architect of the Capitol shall complete the implementation of the require-ments at this section and submit a report describing the actions taken and the energy efficiencies achieved to the Committee on Transportation and Infrastructure of the House of Representatives, Committee on Commerce, Science, and Transportation of the Senate, the Committee on House Administration of the House of Representatives, and the Committee on Rules and Administration of the Senate.

"SEC. 507. CAPITOL POWER PLANT CARBON DIOXIDE EMISSIONS FEASIBILITY STUDY AND DEMONSTRATION PROJECTS.—

The first section of the Act of March 4, 1911 (2 U.S.C. 2162; 36 Stat. 114; chapter 286) is amended by striking ‘nine hundred thousand dollars’ and inserting ‘ninety thousand dollars.’
(2) by striking “Provided. That hereafter the” and all that follows through the end of the proviso and inserting the following:

(a) DESIGNATION.—The heating, lighting, and power that is delivered to the U.S. Capitol, under the terms and conditions of the Act approved April 28, 1904 (33 Stat. 479, chapter 1762) shall be known as the ‘‘Capitol Power Plant’’.

(b) FEASIBILITY STUDY.—In this section, the term ‘‘carbon dioxide energy efficiency’’ means the quantity of electricity used to power equipment for carbon dioxide capture and storage or use.

(c) FEASIBILITY STUDY.—The Architect of the Capitol may conduct one or more demonstration projects to capture and store or use Capitol Power Plant carbon dioxide. In carrying out the feasibility study, the Architect of the Capitol is encouraged to consult with individuals with expertise in carbon capture and storage or use, including experts with the Environmental Protection Agency, Department of Energy, academic institutions, non-profit organizations, and industry, as appropriate.

The study shall consider—

(1) the availability of technologies to capture and store or use Capitol Power Plant carbon dioxide emissions;

(2) strategies to conserve energy and reduce carbon dioxide emissions at the Capitol Power Plant; and

(3) other factors as determined by the Architect of the Capitol.

(d) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—If the feasibility study determines that a demonstration project to capture and store or use Capitol Power Plant carbon dioxide emissions is technologically feasible and economically justified (including direct and indirect economic and environmental benefits), the Architect of the Capitol may, in consultation with more demonstration projects to capture and store or use carbon dioxide emitted from the Capitol Power Plant as a result of burning fossil fuels.

(2) FACTORS FOR CONSIDERATION.—In carrying out such demonstration projects, the Architect of the Capitol shall consider—

(A) the amount of Capitol Power Plant carbon dioxide emissions to be captured and stored or used;

(B) whether the proposed project is able to reduce air pollutants other than carbon dioxide;

(C) the carbon dioxide energy efficiency of the proposed project;

(D) whether the proposed project is able to use renewable energy sources;

(E) whether the proposed project could be expanded to significantly increase the amount of Capitol Power Plant carbon dioxide emissions to be captured and stored or used;

(F) the potential environmental, energy, and educational benefits of demonstrating the capture and storage or use of carbon dioxide at the U.S. Capitol; and

(G) other factors as determined by the Architect of the Capitol.

(3) LIMITATIONS OF CONTRACTS.—A demonstration project funded under this section shall be subject to such terms and conditions as the Architect of the Capitol may prescribe.

(e) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out the feasibility study and demonstration project $5,000,000. Such sums shall remain available until expended.

Subtitle B—Energy Savings Performance Contracting

SEC. 511. AUTHORITY TO ENTER INTO CONTRACTS, REPORTS.

(a) In General.—Section 801(a)(2)(D) of the National Energy Conservation Policy Act (42 U.S.C. 8277(a)(2)(D)) is amended—

1. In clause (i), by inserting “and” after the semicolon at the end;

2. by striking clause (iii); and

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

(b) REPORTS.—Section 548(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 825a(a)(2)) is amended by inserting “and any toxicity ‘exposure’ after the ‘cost savings that have resulted from such contracts’.

(c) CONFORMING AMENDMENT.—Section 2913 of title 10, United States Code, is amended by striking subsection (e).

SEC. 512. FINANCING FLEXIBILITY.

Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8277(a)(2)) is amended by adding at the end the following:

(E) FUNDING OPTIONS.—In carrying out a contract under this title, a Federal agency may use any combination of—

(i) appropriated funds; and

(ii) private financing under an energy savings performance contract.

SEC. 513. PROMOTING LONG-TERM ENERGY SAVINGS PERFORMANCE CONTRACTS AND VERIFYING SAVINGS.

Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8277(a)(2)) (as amended by section 512) is amended—

1. in subparagraph (D), by inserting “beginning on the first business day after the order dates under the delivery order” after “25 years’’; and

2. by adding at the end the following:

(F) PROMOTION OF CONTRACTS.—In carrying out this section, a Federal agency shall not—

(i) establish a Federal agency policy that limits the maximum contract term under subparagraph (D) to a period shorter than 25 years; or

(ii) limit the total amount of obligations under energy savings performance contracts or other private financing of energy savings measures.

(G) MEASUREMENT AND VERIFICATION REQUIREMENTS FOR PRIVATE FINANCING.

(i) IN GENERAL.—In the case of energy savings performance contracts, the evaluations and savings measurement and verification required under paragraphs (2) and (4) of section 548(f) shall be used by a Federal agency to meet the requirements for energy audits, calculation of energy savings, and any other costs and savings needed to implement the guarantee of savings under this section.

(ii) MODIFICATION OF EXISTING CONTRACTS.—Not later than 1 year after the date of enactment of this subparagraph, each Federal agency shall, to the maximum extent practicable, modify any indefinite delivery and indefinite quantity energy savings performance contracts, and other indefinite delivery and indefinite quantity contracts using private financing, to conform to the requirements of clause B of title V of the Energy Independence and Security Act of 2007.

SEC. 514. PERMANENT REAUTHORIZATION.

Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8277) is amended by striking subsection (c).

SEC. 515. DEFINITION OF ENERGY SAVINGS.

Section 801(2) of the National Energy Conservation Policy Act (42 U.S.C. 8277) is amended—

1. by redesigning subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and inserting appropriately;

2. by striking “means a reduction” and inserting “means—

(A) a reduction;”;

3. by striking the period at the end and inserting a semicolon; and

4. by adding at the end the following:

(2) the increased efficient use of an existing energy source by cogeneration or heat recovery;

(3) if otherwise authorized by Federal or State law (including regulations), the sale or transfer of electrical or thermal energy generated on-site from renewable energy sources or cogeneration, but in excess of Federal government utilities or non-Federal energy users; and

(4) the increased efficient use of existing water sources in interior or exterior applications.

SEC. 516. RETENTION OF SAVINGS.

Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 825e(c)) is amended by striking paragraph (b).

SEC. 517. TRAINING FEDERAL CONTRACTING OFFICERS TO NEGOTIATE ENERGY EFFICIENCY CONTRACTS.

(a) PROGRAM.—The Secretary shall create and administer the Federal Energy Management Program a training program to educate Federal contract negotiation and contract management personnel so that the contract officers are prepared to—

1. negotiate energy savings performance contracts;

2. conclude effective and timely contracts for energy efficiency services with all companies offering energy efficiency services; and

3. review Federal contracts for all products and services for the potential energy efficiency opportunities and implications of the contracts.

(b) SCHEDULE.—Not later than 1 year after the date of enactment of this Act, the Secretary shall plan, staff, announce, and begin training under the Federal Energy Management Program.

(c) PERSONNEL TO BE TRAINED.—Personnel appropriate to receive training under the Federal Energy Management Program shall be selected by and sent for the training from—

1. the Department of Defense;

2. the Department of Veterans Affairs;

3. the Department;

4. the General Services Administration;

5. the Department of Housing and Urban Development;

6. the United States Postal Service; and

7. all other Federal agencies and departments that enter contracts for buildings, building services, electricity and electricity services (natural gas services, heating and air conditioning services, building fuel purchases, and other types of procurement or service contracts determined by the Secretary, in carrying out the Federal Energy Management Program, to offer the potential for energy savings and greenhouse gas emission reductions if negotiated with taking into account those goals.

(d) TRAINING.—Training under the Federal Energy Management Program may be conducted by—

1. attorneys or contract officers with experience in negotiating and managing contracts described in subsection (c)(7) from any agency, except that the Secretary shall reimburse the related salaries and expenses of the attorneys or contract officers from amounts made available for carrying out this section to the extent the attorneys or contract officers are not employees of the Department; and

2. private experts hired by the Secretary for the purposes of this section, except that the Secretary may not hire any expert who is simultaneously employed by any company under contract to provide energy efficiency services to the Federal Government.

SEC. 518. PENALTY FOR CONTRACT PROCESSING.—

There are authorized to be appropriated to the Secretary to carry out this section...
SEC. 522. PROHIBITION ON INCANDESCENT LAMPS BY COAST GUARD.
(a) PROHIBITION.—Except as provided by subsection (b), after January 1, 2007, a general service incandescent lamp shall not be purchased or installed in a Coast Guard facility by or on behalf of the Coast Guard.
(b) EXCEPTION.—A general service incandescent lamp may be purchased, installed, and used in a Coast Guard facility whenever the application of a general service incandescent lamp is—
(1) necessary due to purpose or design, including medical, security, and industrial applications;
(2) reasonable due to the architectural or historical value of a light fixture installed before January 1, 2009; or
(3) the Commandant of the Coast Guard determines that operational requirements necessitate the use of a general service incandescent lamp.
(c) LIMITATION.—In this section, the term “facility” does not include a vessel or aircraft of the Coast Guard.
SEC. 523. STANDARD RELATING TO SOLAR HOT WATER HEATERS.
Section 305(a)(3)(A) of the Energy Conservation and Production Act (42 U.S.C. 6894a(3)(A)) is amended—
(1) in clause (i), by striking “and” at the end; and
(2) in clause (ii), by striking the period at the end and inserting “; and”;
SEC. 524. FEDERALLY-PROCURED APPLIANCES WITH STANDBY POWER.
Section 533 of the National Energy Conservation Policy Act (42 U.S.C. 825b) is amended—
(1) by redesigning subsection (e) as subsection (f); and
(2) by inserting after subsection (d) the following:
"(e) FEDERALLY-PROCURED APPLIANCES WITH STANDBY POWER.
"(1) DEFINITION OF ELIGIBLE PRODUCT.—In this subsection, the term ‘eligible product’ means a commercially available, off-the-shelf product that—
(A)(i) uses external standby power devices; or
(B) includes an internal standby power function; and
"(f) PROCUREMENT OF ELIGIBLE PRODUCTS.
"Subject to paragraph (3), if an agency purchases an eligible product, the agency shall purchase—
(A) an eligible product that uses not more than 1 watt in standby power consuming mode of the eligible product; or
(B) if an eligible product described in subparagraph (A) is not available, an eligible product with the lowest available standby power wattage in the standby power consuming mode of the eligible product.
(2) LIMITATION.—The requirements of paragraph (1) shall not apply to a purchase by an agency only if—
"(A) the lower-wattage eligible product is—
(1) lifecycle cost-effective; and
(2) practicable; and
"(B) the utility and performance of the eligible product is not compromised by the lower wattage.
(3) ELIGIBLE PRODUCTS.—The Secretary, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Administrator of General Services, shall compile a publicly accessible list of cost-effective eligible products that shall be made available until the purchasing requirements of paragraph (2)."
SEC. 525. FEDERAL PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.
(a) AMENDMENTS.—Section 526 of the National Energy Conservation Policy Act (42 U.S.C. 825b) is amended—
(1) in subsection (b)(1), by inserting “in a particular category covered by the Energy Star program or the Federal Energy Management Program for designated products” after “energy consuming product”; and
(2) in the second sentence of subsection (c)—
(A) by inserting “list in their catalogues, represent as available, and” after “Logistics Agency shall”;
(b) by striking “where the agency” and inserting “in which the head of the agency”;
(c) by inserting “shall be available in a Federal agency” after “required to be”;
(d) by striking paragraph (2)(B) and inserting—
(2) in clause (ii), by striking the period at the end and inserting “; and”;
(3) in clause (iii), by striking “(2)(B)” and inserting “(3)”;
(4) by striking “a vessel” and inserting “vehicle, device, or equipment”; and
(5) by striking “transmission” and inserting “transport”.
SEC. 526. PROCUREMENT AND ACQUISITION OF ALTERNATIVE FUELS.
No Federal agency shall enter into a contract for procurement of an alternative or synthetic fuel, including one produced from nonconventional petroleum sources, for any mobility-related use, other than for research or testing, unless the contract specifies that the lifecycle greenhouse gas emissions associated with the production and combustion of the fuel supplied under the contract do not exceed, on an equivalent fuel basis, be less than or equal to such emissions from the equivalent conventional fuel produced from conventional petroleum sources.
SEC. 527. GOVERNMENT EFFICIENCY STATUS REPORTS.
(a) In General.—Each Federal agency subject to any of the requirements of this title or the amendments made by this title shall compile and submit to the Director of the Office of Management and Budget an annual Government efficiency status report on—
(1) compliance by the agency with each of the requirements of this title and the amendments made by this title;
(2) the status of the implementation by the agency of initiatives to improve energy efficiency, reduce energy costs, and reduce emissions of greenhouse gases; and
(3) savings to the taxpayers of the United States resulting from mandated improvements under this title and the amendments made by this title.
(b) Submission.—The report shall be submitted—
(1) to the Director at such time as the Director requires; and
(2) in electronic, not paper, format; and
(c) related with reporting requirements.
SEC. 528. OMB GOVERNMENT EFFICIENCY REPORTS AND SCORECARDS.
(a) REPORTS.—Not later than April 1 of each year, the Director of the Office of Management and Budget shall submit an annual Government efficiency report to the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Government Affairs of the Senate, which shall contain—
(1) a summary of the information reported by agencies under section 527;
(2) an evaluation of the overall progress of the Federal Government toward achieving the goals of this title and the amendments made by this title; and
(3) any other information the Director determines to be appropriate.
(3) recommendations for additional actions necessary to meet the goals of this title and the amendments made by this title.

(b) SOURCES.—The Director of the Office of Management and Budget shall include in any annual energy scorecard the Director is otherwise required to submit a description of the compliance of each agency with the requirements of this title and the amendments made by this title.

SEC. 529. ELECTRICITY SECTOR DEMAND RESPONSE.

(a) IN GENERAL.—Title V of the National Energy Conservation Policy Act (42 U.S.C. 8241 et seq.) is amended by adding at the end the following:

"PART 5—PEAK DEMAND REDUCTION "SEC. 571. NATIONAL ACTION PLAN FOR DEMAND RESPONSE.

"(a) NATIONAL ASSESSMENT AND REPORT.—The Federal Energy Regulatory Commission ("Commission") shall conduct a National Assessment of Demand Response. The Commission shall, within 18 months of the date of enactment of this part, submit a report to Congress that includes each of the following:

(1) Estimation of nationwide demand response potential in 5 and 10 year horizons, including data on a State-by-State basis, and a methodology for updates of such estimates on an annual basis.

(2) Estimation of how much of this potential can be achieved within 5 and 10 years after the date of enactment of this part accompanied by specific policy recommendations that if implemented can achieve the estimated potential. Such recommendations shall include options for funding and/or incentives for the development of demand response resources.

(b) The Commission shall further note any barriers to demand response programs offering flexible, non-discriminatory, and fairly compensatory terms for the services and benefits made available, and shall provide recommendations for overcoming such barriers.

(c) The Commission shall seek to take advantage of preexisting research and ongoing work, and shall ensure that there is no duplication of effort.

(b) NATIONAL ACTION PLAN ON DEMAND RESPONSE.—The Commission shall further develop a National Action Plan on Demand Response, soliciting and accepting input and participation from a broad range of industry stakeholders, regulatory utility commissioners, and non-governmental organizations.

The Commission shall seek consensus where possible, and decide on optimum solutions to issues as they arise. Such Plan shall be completed within one year after the completion of the National Assessment of Demand Response, and shall meet each of the following objectives:

(1) Identification of requirements for technical assistance to States to allow them to maximize the amount of demand response resources that can be developed and deployed.

(2) Design and identification of requirements for implementation of a national community renewable energy program that includes broadband-based customer education and support.

(3) Development or identification of analytical tools, information, model regulatory provisions, and other support materials for use by customers, states, utilities and demand response providers.

(c) Upon completion, the National Action Plan on Demand Response shall be published, together with any favorable and dissenting comments submitted by participants in its preparation. Six months after publication, the Commission shall submit to Congress a proposal to implement the Action Plan, including specific proposed assignments of responsibility, proposed budget amounts, and any agreements secured for participation from State and other participants.

(d) After the date on which there are authorized to be appropriated to the Commission to carry out this section not more than $10,000,000 for each of the fiscal years 2008, 2009, and 2010."

(b) TABLE OF CONTENTS.—The table of contents for the National Energy Conservation Policy Act (42 U.S.C. 6231 note) is amended by adding after the items relating to part 4 of title V the following:

"PART 5—PEAK DEMAND REDUCTION "SEC. 571. NATIONAL ACTION PLAN FOR DEMAND RESPONSE."

Subtitle D—Energy Efficiency of Public Institutions

SEC. 531. REAUTHORIZATION OF STATE ENERGY PROGRAMS.

Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6235(f)) is amended by striking "$100,000,000 for each of the fiscal years 2008 and 2009" and inserting "$125,000,000 for each of fiscal years 2007 through 2012".

SEC. 532. UNITED ENERGY EFFICIENCY PROGRAMS.

(a) ELECTRIC UTILITIES.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 717m(d)) is amended by adding at the end the following:

"(16) INTEGRATED RESOURCE PLANNING.—Each electric utility shall:

(A) integrate energy resources into utility, State, and regional plans; and

(B) adopt policies establishing cost-effective energy efficiency as a priority resource.

(17) RATE DESIGN MODIFICATIONS TO PROMOTE ENERGY EFFICIENCY INVESTMENTS.—

(A) IN GENERAL.—The rates allowed to be charged by any electric utility shall:

(i) align utility incentives with the delivery of cost-effective energy efficiency; and

(ii) promote energy efficiency investments.

(B) POLICY OPTIONS.—In complying with subparagraph (A), each State regulatory authority and each nonregulated utility shall:

(i) remove the throughput incentive and other regulatory and management disincentives to energy efficiency;

(ii) provide incentive incentives for the successful management of energy efficiency programs;

(iii) including the impact on adoption of energy efficiency as 1 of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives;

(iv) adopt rate designs that encourage energy efficiency for each customer class;

(v) allowing timely recovery of energy efficiency-related costs; and

(vi) offering energy audits, offering demand response programs, publicizing the financial and environmental benefits associated with making home energy efficiency improvements, and helping homeowners about all existing Federal and State incentives, including the availability of low-cost loans, that make energy efficiency improvements more affordable.

(b) NATURAL GAS UTILITIES.—Section 363(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 717k(b)) is amended by adding at the end the following:

"(6) ENERGY EFFICIENCY.—Each natural gas utility shall:

(A) integrate energy efficiency resources into the plans and planning processes of the natural gas utility; and

(B) adopt policies that establish energy efficiency as a priority resource in the plans and planning processes of the natural gas utility."

"(6) RATE DESIGN MODIFICATIONS TO PROMOTE ENERGY EFFICIENCY INVESTMENTS.—

(A) IN GENERAL.—The rates allowed to be charged by a natural gas utility shall align incentives for the deployment of cost-effective energy efficiency.

(B) POLICY OPTIONS.—In complying with subparagraph (A), each State regulatory authority and each nonregulated utility shall consider:

(i) separating fixed-cost revenue recovery from the volume of transportation or sales service provided to the customer;

(ii) providing to utilities incentives for the successful management of energy efficiency programs, such as allowing utilities to retain a portion of the cost-reducing benefits accruing from the programs;

(iii) promoting the impact on adoption of energy efficiency as 1 of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives; and

(iv) adopting rate designs that encourage energy efficiency for each customer class. For purposes of applying the provisions of this subtitile to this paragraph, any reference in this subtitile to the date of enactment of this part shall be treated as a reference to the date of enactment of this paragraph."

(c) CONFORMING AMENDMENT.—Section 323(a) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 3239(a)) is amended by striking "(4)" and inserting "(4), (5), and (6)".

Subtitle E—Energy Efficiency and Conservation Block Grants

SEC. 541. DEFINITIONS.

In this subtitle:

(1) ELIGIBLE ENTITY.—The term "eligible entity means:

(A) a State;

(B) an eligible unit of local government; and

(C) an Indian tribe.

(2) ELIGIBLE UNIT OF LOCAL GOVERNMENT.—The term "eligible unit of local government" means—

(A) an eligible unit of local government—alternative 1; and

(B) an eligible unit of local government—alternative 2.

(3) ELIGIBLE UNIT OF LOCAL GOVERNMENT—ALTERNATIVE 1.—The term "eligible unit of local government—alternative 1" means—

(I) a city with a population—

(1) of at least 50,000; or

(II) that causes the city to be 1 of the 10 highest-populated cities of the State in which the city is located; and

(ii) a county with a population—

(1) of at least 200,000; or

(II) that causes the county to be 1 of the 10 highest-populated counties of the State in which the county is located.

(B) ELIGIBLE UNIT OF LOCAL GOVERNMENT—ALTERNATIVE 2.—The term "eligible unit of local government—alternative 2" means—

(I) a city with a population of at least 50,000; or

(ii) a county with a population of at least 200,000.

(4) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(5) PROGRAM.—The term "program" means the Energy Efficiency and Conservation Block Grant Program established under section 323(a).

(6) STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.
SEC. 542. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a program, to be known as the “Energy Efficiency and Conservation Block Grant Program”, under which the Secretary shall provide grants to eligible entities in accordance with this subtitle.

(b) PURPOSE.—The purpose of the program shall be to assist eligible entities in implementing strategies—

(1) to reduce fossil fuel emissions created as a result of activities within the jurisdiction of eligible entities in a manner that—

(A) is environmentally sustainable; and

(B) maximizes benefits for local and regional communities;

(2) to reduce the total energy use of the eligible entities; and

(3) to improve energy efficiency in—

(A) the transportation sector;

(B) the building sector; and

(C) other appropriate sectors.

SEC. 543. ALLOCATION OF FUNDS.

(a) IN GENERAL.—Of amounts made available to provide grants under this subtitle for each fiscal year, the Secretary shall allocate—

(1) 68 percent to eligible units of local government in accordance with subsection (b);

(2) 2 percent to Indian tribes in accordance with subsection (c); and

(3) 2 percent to Indian tribes in accordance with subsection (d); and

(4) 2 percent for competitive grants under section 546.

(b) ELIGIBLE UNITS OF LOCAL GOVERNMENT.—Of amounts available for distribution to eligible units of local government under this section based on a formula established by the Secretary according to—

(1) the populations served by the eligible units of local government, according to the latest available decennial census; and

(2) the daytime populations of the eligible units of local government and other similar factors (such as square footage of commercial, office, and industrial space), as determined by the Secretary.

(c) STATES.—Of amounts available for distribution to States under subsection (a)(2), the Secretary shall provide—

(1) not less than 1.25 percent to each State; and

(2) the remainder among the States, based on a formula established by the Secretary.

(d) INDIAN TRIBES.—Of amounts available for distribution to Indian tribes under subsection (a)(3), the Secretary shall establish a formula that takes into account—

(A) the population of each State; and

(B) any other criteria that the Secretary determines to be appropriate.

(e) PUBLICATION OF ALLOCATION FORMULAS.—Not later than 90 days before the beginning of each fiscal year for which grants are provided under this subtitle, the Secretary shall publish in the Federal Register the formulas for allocation established under this section.

(f) STATE AND LOCAL ADVISORY COMMITTEE.—The Secretary shall establish a State and local advisory committee to advise the Secretary regarding administration, implementation, and evaluation of the program.

SEC. 544. USE OF FUNDS.

An eligible entity may use a grant received under this subtitle to carry out activities to achieve the purposes of the program, including—

(1) development and implementation of an energy efficiency and conservation strategy under section 545(b);

(2) retaining technical consultant services to assist the eligible entity in the development of such a strategy, including—

(A) formulation of energy efficiency, energy conservation, and energy usage goals;

(B) identification of strategies to achieve those goals—

(i) through efforts to increase energy efficiency and reduce energy consumption; and

(ii) by encouraging behavioral changes among the population served by the eligible entity;

(C) development of methods to measure progress in achieving those goals;

(D) development and publication of annual reports to the population served by the eligible entity describing—

(i) the strategies and goals; and

(ii) the progress made in achieving the strategies and goals during the preceding calendar year; and

(E) other services to assist in the implementation of the energy efficiency and conservation strategy;

(3) conducting residential and commercial building energy audits;

(4) establishment of financial incentive programs for energy efficiency improvements;

(5) the provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits;

(6) development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the eligible entity, including—

(A) design and operation of the programs;

(B) identifying the most effective methods for achieving maximum participation and efficiency rates;

(C) public education;

(D) measurement and verification protocols; and

(E) identification of energy efficient technologies;

(7) development and implementation of programs to conserve energy used in transportation, including—

(A) use of flex time by employers;

(B) satellite work centers;

(C) development and promotion of zoning guidelines or requirements that promote energy efficient design and operation of the programs;

(D) establishment of infrastructure, such as bike lanes and pathways and pedestrian walkways;

(E) synchronization of traffic signals; and

(F) other measures that increase energy efficiency and decrease energy consumption;

(8) development and implementation of building codes and inspection services to promote building energy efficiency;

(9) application and implementation of energy distribution technologies that significantly increase energy efficiency, including—

(A) distributed resources; and

(B) district heating and cooling systems;

(10) implementation of energy-efficient participation and efficiency rates for material conservation programs, including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency;

(11) the purchase and implementation of technologies to reduce, capture, and, to the maximum extent practicable, use methane and other greenhouse gases generated by landfills or similar sources;

(12) replacement of traffic signals and street lighting with energy efficient lighting technologies, including—

(A) light emitting diodes; and

(B) any other technology of equal or greater energy efficiency;

(13) development, implementation, and installation on or in any government building of the infrastructure for renewable energy technology that generates electricity from renewable resources, including—

(A) solar energy;

(B) wind energy;

(C) fuel cells; and

(D) biomass; and

(14) any other appropriate activity, as determined by the Secretary, in consultation with—

(A) the Administrator of the Environmental Protection Agency;

(B) the Secretary of Transportation; and

(C) the Secretary of Housing and Urban Development.

SEC. 545. REQUIREMENTS FOR ELIGIBLE ENTITIES.

(a) CONSTRUCTION REQUIREMENT.—

(1) IN GENERAL.—To be eligible to receive a grant under this subtitle, an eligible entity of local government shall—

(A) receive a grant under this subtitle; and

(B) the grant shall be used to provide an energy efficiency and conservation strategy, including—

(A) a description of the goals of the eligible entity; and

(B) a description of the goals of the eligible entity of local government or Indian tribe.

(2) APPROVAL BY SECRETARY.

The Secretary shall approve the plan for the use of the grant in accordance with this paragraph.

(b) INCLUSIONS.—The proposed strategy shall include—

(1) a description of the goals of the eligible entity of local government or Indian tribe, in accordance with the purposes of this subtitle, for increased energy efficiency and conservation in the jurisdiction of the eligible entity of local government or Indian tribe; and

(2) adoption of a strategy for the eligible entity of local government or Indian tribe to achieve those goals, in accordance with section 544.

(c) REQUIREMENTS FOR ELIGIBLE UNITS OF LOCAL GOVERNMENT.—In developing the strategy under subparagraph (A), an eligible unit of local government shall—

(1) take into account any plans for the use of funds by adjacent eligible units of local governments that receive grants under the program; and

(2) coordinate and share information with the State in which the eligible entity of local government is located regarding activities carried out using the grant to maximize the energy efficiency and conservation benefits under this subtitle.

(2) APPROVAL BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall approve or disapprove a proposed strategy for the eligible entity of local government within 120 days after the date of submission of the proposed strategy.
(B) DISAPPROVAL.—If the Secretary disapproves a proposed strategy under subparagraph (A)—
(i) the Secretary shall provide to the eligible unit of local government or Indian tribe the reasons for the disapproval; and
(ii) the eligible unit of local government or Indian tribe may revise and resubmit the proposed strategy as many times as necessary until the Secretary approves a proposed strategy.

(C) REQUIREMENT.—The Secretary shall not provide an eligible unit of local government or Indian tribe any grant under the program until a proposed strategy of the eligible unit of local government or Indian tribe is approved by the Secretary under this paragraph.

(3) LIMITATIONS ON USE OF FUNDS.—Of amounts provided to an eligible unit of local government or Indian tribe under the program, an eligible unit of local government or Indian tribe may use—
(A) for administrative expenses, excluding the cost of meeting the reporting requirements of this subtitle, an amount equal to the greater of—
(1) 10 percent; and
(2) $75,000;
(B) for the establishment of revolving loan funds, an amount equal to the greater of—
(1) 20 percent; and
(2) $200,000; and
(C) for the provision of subgrants to non-governmental organizations for the purpose of assessment and demonstration of energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe, an amount equal to the greater of—
(1) 20 percent; and
(2) $200,000.

(4) ANNUAL REPORT.—Not later than 2 years after the date on which funds are initially provided to an eligible unit of local government or Indian tribe under the program, and annually thereafter, the eligible unit of local government or Indian tribe shall submit to the Secretary a report describing—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe; and
(B) as practicable, an assessment of energy efficiency gains achieved within the jurisdiction of the eligible unit of local government or Indian tribe.

(C) DISTRIBUTION OF FUNDS.—
(A) IN GENERAL.—A State that receives a grant under the program shall use not less than 80 percent, and not more than 10 percent, of amounts provided under this program to provide to eligible units of local government or Indian tribe for distribution to eligible units of local government or Indian tribe.
(B) DEADLINE.
(1) DISTRIBUTION OF FUNDS. —The State shall provide the grants as required under paragraph (A) to units of local government or Indian tribe as the Secretary determines to be appropriate until the Secretary approves a proposed strategy of the eligible unit of local government or Indian tribe.
(2) R EVISION OF CONSERVATION PLAN; PRO-POSAL OF STRATEGY.—Not later than 120 days after the date on which funds are initially provided to an eligible unit of local government or Indian tribe under the program, an eligible unit of local government or Indian tribe may propose to the Secretary a plan of the unit of local government or Indian tribe to carry out an activity described in section 451(d) for the purpose of assessment and demonstration of energy efficiency and conservation strategy of the State during the preceding calendar year.

(5) ANNUAL REPORTS.—Each State that receives a grant under this section shall submit to the Secretary an annual report that describes—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the State during the preceding calendar year;
(B) the status of the subgrant program of the State under paragraph (1); and
(C) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year.

(6) LIMITATIONS ON USE OF FUNDS.—A State may use not more than 10 percent of amounts provided under this program for administrative expenses.

(7) ANNUAL REPORTS.—Each State that receives a grant under this section shall submit to the Secretary an annual report that describes—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the State for subsequent calendar years; and
(B) specific energy efficiency and conservation goals of the State for subsequent calendar years.

SEC. 546. COMPETITIVE GRANTS.

(4) LIMITATIONS ON USE OF FUNDS.—(A) the status of development and implementation of the energy efficiency and conservation strategy of the State is approved by the Secretary under this paragraph;

(2) the energy efficiency and conservation strategy of the eligible unit of local government is approved by the Secretary under this paragraph;

(3) the reasons for the disapproval; and

(4) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year.

(5) ANNUAL REPORTS.—Each State that receives a grant under this section shall submit to the Secretary an annual report that describes—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the State during the preceding calendar year;
(B) the status of the subgrant program of the State under paragraph (1); and
(C) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year.

(6) LIMITATIONS ON USE OF FUNDS.—A State may use not more than 10 percent of amounts provided under this program for administrative expenses.

(7) ANNUAL REPORTS.—Each State that receives a grant under this section shall submit to the Secretary an annual report that describes—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the State for subsequent calendar years; and
(B) specific energy efficiency and conservation goals of the State for subsequent calendar years.

SEC. 547. REVIEW AND EVALUATION.

(1) DISTRIBUTION OF FUNDS.—The State shall provide the subgrants required under subparagraph (A) by not later than 180 days after the date on which the Secretary approves a proposed strategy under paragraph (2).

(2) R EVISION OF CONSERVATION PLAN; PRO-POSAL OF STRATEGY.—Not later than 120 days after the date of enactment of this Act, each State shall—
(A) modify the State energy conservation plan of the State under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) to establish additional goals for increased energy efficiency and conservation in the State; and
(B) notify the Secretary the State has proposed an energy efficiency and conservation strategy that—
(i) establishes a process for providing subgrants as required under paragraph (1); and
(ii) includes a plan of the State for the use of funds received under a program to ass-
(b) Water Consumption.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Energy shall transmit to Congress a report on the results of a study on methods to reduce the amount of water consumed by concentrating solar power systems.

SEC. 604. SOLAR ENERGY CURRICULUM DEVELOPMENT AND CERTIFICATION GRANTS.

(a) Establishment.—The Secretary shall establish in the Office of Solar Energy Technologies a competitive grant program to create and strengthen solar industry workforce training and internship programs in installation, operation, and maintenance of solar energy products. The goal of this program is to ensure a supply of well-trained individuals to support the expansion of the solar energy industry.

(b) Authorized Activities.—Grant funds may be used to support the following activities:

(1) Creation and development of a solar energy curriculum appropriate for the local educational, entrepreneurial, and environmental conditions, including curriculum for community colleges.

(2) Support of certification programs for individual solar energy system installers, instructors, and training programs.

(3) Internship programs that provide hands-on participation by students in commercial applications.

(4) Activities and resources required to obtain certification of training programs and facilities by an industry-accepted quality-control certification program.

(5) Incorporation of solar-specific learning modules into traditional occupational training and internship programs for construction-related trades.

(6) The purchase of equipment necessary to carry out activities under this section.

(7) Support of programs that provide guidance and updates to solar energy curriculum instructors.

(c) Administration of Grants.—Grants may be awarded under this section for up to 3 years. The Secretary shall award grants to ensure sufficient geographic distribution of training programs nationally. Grants shall only be awarded for programs certified by an industry-accepted quality-control certification institution, or for new and growing programs with a credible path to certification. Such programs shall be given to women, underrepresented minorities, and persons with disabilities.

(d) Reports.—The Secretary shall make public on the website of the Department, or upon request, information on the name and institution for all grants awarded under this section, including a brief description of the project as well as the grant award amount.

(e) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for carrying out this section $10,000,000 for each of the fiscal years 2008 through 2012.

SEC. 605. DAYLIGHTING SYSTEMS AND DIRECT SOLAR HEATING TECHNOLOGIES.

(a) Establishment.—The Secretary shall establish a program of research and development to provide assistance in the demonstration and application of direct solar renewable energy sources to provide alternatives to traditional power generation for lighting and illumination, including light pipe technologies to promote greater energy conservation and improved efficiency. All direct solar renewable energy devices supported under this program shall have the capability to provide measurable data on the amount of kilowatt-hours saved over the traditional powered light sources they have replaced.

(b) Reporting.—The Secretary shall transmit to Congress an annual report assessing the measurable data derived from each project in the direct solar renewable energy sources program and the energy savings resulting from its use.

(c) Definitions.—For purposes of this section—

(1) the term "direct solar renewable energy" means energy from a device that converts sunlight within a building, tunnel, or other enclosed structure, replacing artificial light generated by a light fixture and doing so without the conversion of sunlight into another form of energy; and

(2) the term "light pipe" means a device designed to transport visible solar radiation from its collector in the interior of a building while excluding interior heat gain in the nonheating season.

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for carrying out this section $5,500,000 for each of the fiscal years 2008 through 2012.

SEC. 606. SOLAR AIR CONDITIONING RESEARCH AND DEVELOPMENT PROGRAM.

(a) Establishment.—The Secretary shall establish a research, development, and demonstration program to promote less costly and more reliable decentralized distributed solar-powered air conditioning for individuals and businesses.

(b) Authorized Activities.—Grants made available under this section may be used to support the following activities:

(1) Advancing solar thermal collectors, including concentrating solar thermal and electric systems, flat plate and evacuated tube collector performance.

(2) Achieving technical and economic integration of solar-powered distributed air conditioning systems with existing hot water and storage systems for residential applications.

(3) Designing and demonstrating mass manufacturing capability to reduce costs of modular standardized solar-powered distributed air conditioning systems and components.

(4) Improving the efficiency of solar-powered distributed air-conditioning to increase the effectiveness of solar-powered absorption chillers, solar-powered heat pumps, and condensers, and cost-effective precooling approaches.

(5) Researching and comparing performance of solar-powered distributed air-conditioning systems in different regions of the country, including potential integration with other onsite systems, such as solar, biogas, geothermal, and gas, and assist or combined propane fuel cells, with a goal to develop site-specific energy production and management systems that ease fuel and peak utility loading.

(c) Cost Sharing.—Section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to a project carried out under this section.

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for carrying out this section $2,500,000 for each of the fiscal years 2008 through 2012.

SEC. 607. PHOTOVOLTAIC DEMONSTRATION PROGRAM.

(a) In General.—The Secretary shall establish a program of grants to States to demonstrate advanced photovoltaic technology.

(b) Requirements.—

(1) Ability to Meet Requirements.—To receive funding under the program under this section, a State must submit a proposal that demonstrates the ability to meet the requirements of subsection (f).

(2) Compliance with Requirements.—If a State has received funding under this section for the preceding year, the State must demonstrate, to the satisfaction of the Secretary, that it complied with the requirements of subsection (f) in carrying out the program during that preceding year, and that it will do so in the future, before it can receive further funding under this section.

(c) Competition.—The Secretary shall award grants on a competitive basis to the States with the proposals the Secretary considers most likely to contribute to the widespread adoption of photovoltaic technologies. The Secretary shall take into consideration the geographic distribution of available funds.

(d) Proposals.—Not later than 6 months after the date of enactment of this Act, and in each subsequent fiscal year for the life of the program, the Secretary shall solicit proposals from the States to participate in the program under this section.

(e) Competitive Criteria.—In awarding funds in a competitive allocation under subsection (c), the Secretary shall consider—

(1) the likelihood of a proposal to encourage the demonstration of, or lower the costs of, advanced photovoltaic technologies; and

(2) the extent to which a proposal is likely to—

(A) maximize the amount of photovoltaics demonstrated;

(B) maximize the proportion of non-Federal cost share; and

(C) limit State administrative costs.

(f) State Program.—A program operated by a State with funding under this section shall provide competitive awards for the demonstration of advanced photovoltaic technologies. Each State program shall—

(1) require a contribution of at least 60 percent of any Federal award from non-State sources, which may include any combination of State, local, and private funds, except that at least 10 percent of the funding must be supplied by the State;

(2) endeavor to fund recipients in the commercial, industrial, institutional, governmental, and residential sectors;

(3) limit State administrative costs to no more than 10 percent of the grant;

(4) report annually to the Secretary on—

(A) the amount of funds disbursed;

(B) the amount of photovoltaics purchased; and

(C) the results of the monitoring under paragraph (5); and

(5) provide for measurement and verification of the output of a representative sample of the photovoltaics systems demonstrated throughout the average working life of the systems, or at least 20 years; and

(6) require that applicant buildings must have received an independent energy efficiency audit during the 6-month period preceding the filing of the application.

(g) Unexpended Funds.—If a State fails to expend any funds received under this section within 3 years of receipt, such remaining funds shall be returned to the Secretary.

(h) Reports.—The Secretary shall report to Congress 5 years after funds are first distributed to the States under this section—

(1) the amount of photovoltaics demonstrated;

(2) the number of projects undertaken;

(3) the administrative costs of the program;

(4) the results of the monitoring under subsection (f); and

(5) any unexpended funds that shall be returned to the Secretary for the purposes of carrying out this section—

(1) $15,000,000 for fiscal year 2008;
SEC. 611. SHORT TITLE.

This subtitle may be cited as the “Advanced Geothermal Energy Research and Development Act of 2007”.

SEC. 612. DEFINITIONS.

For purposes of this subtitle:

(1) ENGINEERED.—When referring to enhanced geothermal systems, the term “engineered” relates to intervention, including intervention to address one or more of the following issues:

(A) Lack of effective permeability or porosity or open fracture connectivity within the reservoir.

(B) Insufficient contained geofluid in the reservoir.

(C) A low average geothermal gradient, which necessitates deeper drilling.

(2) ENHANCED GEOTHERMAL SYSTEMS.—The term “enhanced geothermal systems” means geothermal systems that are engineered, as opposed to occurring naturally.

(3) GEOFLUID.—The term “geofluid” means any fluid used to extract thermal energy from the Earth’s crust that is transported to the surface for direct use or electric power generation, except that such term shall not include oil or natural gas.

(4) GEOPRESSURED RESOURCES.—The term “geopressed resources” mean geothermal deposits found in sedimentary rocks under higher than normal pressure and saturated with geofluid.

(5) GEOTHERMAL.—The term “geothermal” refers to heat energy stored in the Earth’s crust that can be accessed for direct use or electric power generation.

(6) HYDROTHERMAL.—The term “hydothermal” refers to naturally occurring subsurface reservoirs of hot water or steam.

(7) SYSTEMS APPROACH.—The term “systems approach” means an approach to solving problems or designing systems that attempts to optimize the performance of the overall system, rather than a particular component of the system.

SEC. 613. HYDROTHERMAL RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary shall support a program of research, development, demonstration, and commercial application to expand the use of geothermal energy production from hydrothermal systems, including the programs described in subsection (b).

(b) PROGRAMS.—

(1) ADVANCED HYDROTHERMAL RESOURCE TOOLS.—The Secretary, in consultation with other appropriate agencies, shall support a program to develop advanced geophysical, geochemical, and geologic tools to assist in locating hidden hydrothermal systems, and to identify viability of sites for characterization before, during, and after initial drilling. The program shall develop new prospecting techniques to assist in prioritization of targets for characterization. The program shall include a field component.

(2) INDUSTRY COUPLED EXPLORATORY DRILLING.—The Secretary shall support a program of cost-shared field demonstration programs, to be pursued, simultaneously and independently, in collaboration with industry partners, that address multiple elements contained in paragraphs (1) through (3) of this subsection.

(a) SUBSURFACE COMPONENTS AND SYSTEMS APPROACH.—The Secretary shall support a program of research, development, demonstration, and commercial application of components and systems capable of withstanding the extreme geothermal environments and necessary to cost-effectively develop, produce, and monitor geothermal reservoirs and produce geothermal energy. These components and systems shall include advanced casing systems (expandable tubular casing, low-clearance casing designs, and others), high-temperature downhole pumps, high-temperature submersible pumps, high-temperature cement, high-temperature and high-pressure packers, as well as technologies for under-reaming, multilateral completions, logging while drilling, deep fracture stimulation, and reservoir system diagnostics.

(b) RESERVOIR PERFORMANCE MODELING.—The Secretary shall support a program of research, development, demonstration, and commercial application of models of geothermal systems approach.

(c) ENVIRONMENTAL IMPACTS.—The Secretary shall—

(1) support a program of research, development, demonstration, and commercial application of technologies and practices designed to mitigate or preclude potential adverse environmental impacts of geothermal energy development, production, and use, and seek to ensure that geothermal energy development is consistent with the highest practicable standards of environmental stewardship;

(2) in consultation with the Assistant Administrator for Research and Development at the Environmental Protection Agency, support a research program to identify potential environmental impacts of geothermal energy development, production, and use, and ensure that the program described in paragraph (1) addresses effects on groundwater and local hydrology; and

(3) support a program of research to compare the potential environmental impacts identified as part of the development, production, and use of geothermal energy with the potential emission reductions of greenhouse gases gained by geothermal energy development, production, and use.

SEC. 615. ENHANCED GEOTHERMAL SYSTEMS RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary shall support a program of research, development, demonstration, and commercial application for enhanced geothermal systems, including the programs described in subsection (b).

(b) PROGRAMS.—

(1) ENHANCED GEOTHERMAL SYSTEMS TECHNOLOGIES.—The Secretary shall support a program of research, development, demonstration, and commercial application of the technologies and knowledge necessary for enhanced geothermal systems and to a state of commercial readiness, including advances in—

(A) reservoir stimulation;

(B) reservoir characterization, monitoring, and modeling;

(C) stress mapping;

(D) tracer development;

(E) three-dimensional seismic tomography; and

(F) understanding seismic effects of reservoir engineering and stimulation.

(2) ENHANCED GEOTHERMAL SYSTEMS RESERVOIR STIMULATION.—(A) PROGRAM.—In collaboration with industry partners, the Secretary shall support a program of research, development, and demonstration of enhanced geothermal systems reservoir stimulation technologies and techniques. A minimum of 4 sites shall be selected, one of which is recommended for enhanced geothermal systems development. Each site shall—

(i) represent a different class of subsurface geologic environment;

(ii) take advantage of an existing site where subsurface characterization has been conducted or existing drill holes can be utilized, if possible.

(B) CONSIDERATION OF EXISTING SITE.—The Secretary shall consider existing or near-existing sites for demonstration of advanced geothermal technology, such as those that have well data already underway, may be considered for inclusion among the sites selected under subparagraph (A).

SEC. 616. GEOTHERMAL ENERGY PRODUCTION FROM OIL AND GAS FIELDS AND RECOVERED AND PRODUCED OIL AND GAS RESOURCES.

(a) IN GENERAL.—The Secretary shall establish a program of research, development, demonstration, and commercial application to support development of geothermal energy production from oil and gas fields and recovered and produced oil and gas resources.

(b) GEOTHERMAL ENERGY PRODUCTION FROM OIL AND GAS FIELDS.—The Secretary shall implement a grant program in support of geothermal energy production from oil and gas fields. The program shall include grants for a total of not less than three demonstration projects of the use of geothermal techniques such as advanced organic rankine cycle systems at marginal, unproductive, and oil and gas wells. The Secretary shall, to the extent practicable and in the public interest, make awards that—

(1) include no less than five oil or gas well sites per project award;

(2) use a range of oil or gas well hot water source temperatures from 150 degrees Fahrenheit to 300 degrees Fahrenheit;

(3) cover a range of sizes up to one megawatt;

(4) are located at a range of sites;

(5) can be replicated at a wide range of sites;

(6) facilitate identification of optimum techniques among competing alternatives;

(7) include business commercialization plans that have the potential for production of equipment at high volumes and operation and support at a large number of sites; and

(8) satisfy other criteria that the Secretary determines are necessary to carry out the program and collect necessary data and information.

The Secretary shall give preference to applications that address multiple elements contained in paragraphs (1) through (8).

(c) GRANT AWARDS.—Each grant award for demonstration of geothermal technology such as advanced organic rankine cycle systems at oil and gas wells made by the Secretary shall include—

(1) necessary and appropriate site engineering studies;

(2) detailed economic assessment of site specific conditions;

(3) appropriate feasibility studies to determine whether the demonstration can be replicated;

(4) design or adaptation of existing technology for site specific circumstances or conditions;

(5) installation of equipment, service, and support;
and share information with domestic and international partners engaged in research and development of geothermal systems and related technology.

(c) SELECTION CRITERIA.—In awarding the grant described in subsection (a), the Secretary shall select an institution of higher education (or consortium thereof) best suited to provide national leadership on geothermal technology issues addressed under subsection (b).

(d) DURATION OF GRANT.—A grant made under subsection (a)—

(1) shall be for an initial period of 5 years; and

(2) may be renewed for additional 5-year periods on the basis of satisfactory performance in meeting the duties outlined in subsection (b); and

(b) U.S. TRADE AND DEVELOPMENT AGENCY.—Nothing in this subtitle shall be construed to alter or affect any law relating to trade and development activities of the United States Agency for International Development, including as partners (as appropriate) the African Rift Geothermal Development Facility, Australia, China, France, the Republic of Iceland, India, Japan, and the United Kingdom.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this subtitle $90,000,000 for each of the fiscal years 2008 through 2012, of which $10,000,000 for each fiscal year shall be for carrying out section 616. There are also authorized to be appropriated to the Secretary for the Intermountain West Geothermal Consortium $5,000,000 for each of the fiscal years 2008 through 2012.

SEC. 621. REPORTS ON ADVANCED USES OF GEO- THERMAL ENERGY.-(a) REPORTS.—Not later than 3 years and 5 years after the date of enactment of this Act, the Secretary shall report to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on advanced concepts and technologies to maximize the geothermal resource potential of the United States. The reports shall include—

(1) the use of carbon dioxide as an alternative geofluid with potential carbon sequestration benefits;

(2) mineral recovery from geofluids;

(3) use of geothermal energy to produce hydrogen;

(4) use of geothermal energy to produce biofuels;

(5) use of geothermal heat for oil recovery from oil shales and tar sands; and

(6) other advanced geothermal technologies, including advanced drilling technologies and advanced power conversion technologies.

(b) PROGRESS REPORTS.—(1) Not later than 36 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an interim report describing the progress made under this subtitle. At the end of 60 months, the Secretary shall submit to Congress a report on the results of projects undertaken under this subtitle and other such information the Secretary considers appropriate.

(2) As necessary, the Secretary shall report to the Congress on any legal, regulatory, or environmental impacts and measures to address such impacts.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for the purposes described in subsection (a) $2,000,000.

SEC. 622. APPLICABILITY OF OTHER LAWS. Nothing in this subtitle shall be construed as amending, modifying, or superseding the applicability of any requirement under any environmental or other Federal or State law. To the extent that activities authorized in this subtitle take place in coastal or oceanic areas, the Secretary shall consult with the Secretary of Commerce, acting through the Under Secretary for Commerce for Oceans and Atmosphere, regarding the potential marine environmental impacts and measures to address such impacts.

SEC. 623. AUTHORIZATION OF APPROPRIATIONS. There are authorized to be appropriated to the Secretary to carry out this section $90,000,000 for each of the fiscal years 2008 through 2012, of which $10,000,000 for each fiscal year shall be for carrying out section 616. There are also authorized to be appropriated to the Secretary for the Intermountain West Geothermal Consortium $5,000,000 for each of the fiscal years 2008 through 2012.

SEC. 624. INTERNATIONAL GEOTHERMAL EN- EGY DEVELOPMENT.—(a) IN GENERAL.—The Secretary of Energy, in coordination with other appropriate Federal and multilateral agencies (including the United States Agency for International Development) shall support international collaborative efforts to promote the research, development, and deployment of geothermal technologies used to develop hydrothermal and geopressured geothermal resources, including as partners (as appropriate) the African Rift Geothermal Development Facility, Australia, China, France, the Republic of Iceland, India, Japan, and the United Kingdom.

(b) UNITED STATES TRADE AND DEVELOP- MENT AGENCY.—The Director of the United States Trade and Development Agency may—

(1) encourage participation by United States firms in actions taken to carry out subsection (a); and

(2) provide grants and other financial support for feasibility and resource assessment studies conducted in, or intended to benefit, less developed countries.

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

SEC. 625. HIGH COST REGION GEOTHERMAL EN- EGY GRANT PROGRAM.—(a) DEFINITIONS.—(1) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) a utility;

(B) an electric cooperative;

(C) a State;

(D) a political subdivision of a State;

(E) an Indian tribe; or

(F) a Native corporation.

(2) HIGH-COST REGION.—The term "high-cost region" means a region in which the average cost of electrical power exceeds 150 percent of the national average retail cost, as determined by the Secretary.

(b) PROGRAM.—The Secretary shall use amounts made available to carry out this section to make grants to eligible entities for activities described in subsection (c).

(c) ELIGIBLE ACTIVITIES.—An eligible entity may use funds made available under this section, with respect to a geothermal energy project in a high-cost region, only—

(1) to conduct a feasibility study, including a study of geothermal exploration, field testing, aeromagnetic surveys, geologic information gathering, baseline environmental studies, well drilling, resource characterization, permitting and economic analysis; and

(2) for design and engineering costs, relating to the project; and
(3) to demonstrate and promote commercial application of technologies related to geothermal energy as part of the project. 

(4) COST SHARING.—The cost-sharing requirement of section 866 of the Energy Policy Act of 2005 (42 U.S.C. 16231(a)) shall apply to any project carried out under this section. 

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Subtitle C—Marine and Hydrokinetic Renewable Energy Technologies

SEC. 631. SHORT TITLE.

This subtitle may be cited as the “Marine and Hydrokinetic Renewable Energy Research, Development, and Demonstration Act”.

SEC. 632. DEFINITION.

For purposes of this subtitle, the term “marine and hydrokinetic renewable energy” means electrical energy from—

(1) waves, tides, and currents in oceans, estuaries, and tidal areas; 

(2) free flowing water in rivers, lakes, and streams; 

(3) free flowing water in man-made channels; and 

(4) differentials in ocean temperature (ocean thermal energy conversion).

The term “marine and hydrokinetic renewable energy” does not include energy from any source that uses a dam, diversionary spillway, impoundment for electric energy generation, or any project carried out under this section.

SEC. 633. MARINE AND HYDROKINETIC RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior and the Secretary of Commerce, acting through the Under Secretary of Commerce for Oceans and Atmosphere, shall establish a program of research, development, demonstration, and commercial application to expand marine and hydrokinetic renewable energy production, including programs to—

(1) study and compare existing marine and hydrokinetic renewable energy technologies; 

(2) research, develop, and demonstrate marine and hydrokinetic renewable energy systems and technologies; 

(3) reduce the manufacturing and operation costs of marine and hydrokinetic renewable energy technologies; 

(4) investigate efficient and reliable integration with the utility grid and intermittency issues; 

(5) advance wave forecasting technologies; 

(6) conduct experimental and numerical modeling for optimization of marine energy conversion devices and arrays; 

(7) increase the reliability and survivability of marine and hydrokinetic renewable energy technologies, including development of corrosive-resistant materials; 

(8) in consultation with the Secretary of Commerce, acting through the Under Secretary of Commerce for Oceans and Atmosphere, and other Federal agencies as appropriate, establish environmental impacts, including potential impacts on fisheries and other marine resources, of marine and hydrokinetic renewable energy technologies, measures to prevent adverse impacts, and technologies and other means available for monitoring and determining environmental impacts; 

(9) identify, in consultation with the Secretary of the Department in which the United States Coast Guard is operating, acting through the Commandant of the United States Coast Guard, the potential environmental impacts of marine and hydrokinetic renewable energy technologies and measures to prevent adverse impacts on navigation; 

(10) study the potential environmental impacts of marine and hydrokinetic renewable energy technologies and measures to prevent adverse impacts on navigation; 

(11) develop identification standards for marine and hydrokinetic renewable energy devices; 

(12) address standards development, demonstration, and commercialization for advanced systems engineering and system integration methods to identify critical interfaces; 

(13) identifying opportunities for cross fertilization and development of economies of scale between other renewable sources and marine and hydrokinetic renewable energy sources; and 

(14) providing public information and opportunity for public comment concerning all technologies.

Not later than 18 months after the date of enactment of this Act, the Secretary, in conjunction with the Secretary of the Interior and the Undersecretary of Commerce for Oceans and Atmosphere, and the Secretary of the Interior, shall provide to the Congress a report that addresses—

(1) the potential environmental impacts, including impacts to fisheries and marine resources, of marine and hydrokinetic renewable energy technologies; 

(2) options to prevent adverse environmental impacts; 

(3) the potential role of monitoring and adaptive management in identifying and addressing any adverse environmental impacts; and 

(4) the necessary components of such an adaptive management program.

SEC. 634. NATIONAL MARINE RENEWABLE ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION CENTERS.

(a) CENTERS.—The Secretary shall award grants to institutions of higher education (or consortia thereof) for the establishment of not more than 10 National Marine Renewable Energy Research, Development, and Demonstration Centers. In selecting locations for Centers, the Secretary shall consider sites that meet one of the following criteria:

(1) Hosts an existing marine renewable energy research and development program in coordination with an engineering program at an institution of higher education.

(2) Has proven expertise to support environmental policy-related issues associated with harnessing of energy in the marine environment, including impacts to fisheries and other marine resources.

(3) Has access to and utilizes the marine resources in the Gulf of Mexico, the Atlantic Ocean, or the Pacific Ocean.

(4) Has the capability to demonstrate and conduct research and development, and to commercialize, an identified marine renewable energy technology.

(5) Has the capability to address standards development, demonstration, and commercialization for advanced systems engineering and system integration methods for marine and hydrokinetic renewable energy technologies and measures to prevent adverse impacts on navigation; 

(6) develops power measurement standards and test methods for marine and hydrokinetic renewable energy technologies.

(b) PROGRAM.—The Secretary shall carry out a research, development, and demonstration program to support the ability of the National Marine Renewable Energy Research, Development, and Demonstration Centers to develop and demonstrate marine renewable energy technologies and systems resources.

(c) DEMONSTRATION OF NEED.—When applying for a grant under this section, an applicant shall demonstrate that the project proposed is of sufficient scale to justify Federal support for the program, including evidence that the research of the Center will not be conducted in the absence of Federal support.

SEC. 635. APPLICABILITY OF OTHER LAWS.

Nothing in this subtitle shall be construed as authorizing the modifying the applicability of any requirement under any environmental or other Federal or State law.

SEC. 636. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this subtitle $50,000,000 for each of the fiscal years 2008 through 2012, except that no funds shall be appropriated under this section for activities that are receiving funds under section 931(a)(2)(E)(i) of the Energy Policy Act of 2005 (42 U.S.C. 16211(a)(2)(E)(i)).

Subtitle D—Energy Storage for Transportation and Electric Power

SEC. 641. ENERGY STORAGE COMPETITIVENESS.

(a) SHORT TITLE.—This section may be cited as the “United States Energy Storage Competitiveness Act of 2007”.

(b) DEFINITIONS.—In this section:

(1) COUNCIL.—The term “Council” means the Energy Storage Advisory Council established under subsection (e).

(2) COMPRESSED AIR ENERGY STORAGE.—The term “compressed air energy storage” means, in the case of an electric utility grid application, the storage of energy through the compression of air.

(3) ELECTRIC DRIVE VEHICLE.—The term “electric drive vehicle” means—

(A) a vehicle that uses an electric motor for all or part of the motive power of the vehicle, including battery electric, plug-in hybrid electric, fuel cell, and plug-in fuel cell vehicles and rail transportation vehicles; or

(B) mobile equipment that uses an electric motor to replace an internal combustion engine for all or part of the work of the equipment.

(4) ISLANDING.—The term “islanding” means a distributed generator or energy storage device continuing to power a location in the absence of electric power from the primary source.

(5) FLYWHEEL.—The term “flywheel” means, in the case of an electric utility grid application, a device used to store rotational kinetic energy.

(6) MICROGRID.—The term “microgrid” means an integrated energy system constantly interconnected to distributed energy resources (including generators and energy storage devices), which as an integrated system can operate in parallel with the utility grid or in an intentional islanding mode.

(7) SELF-HEALING GRID.—The term “self-healing grid” means a grid that is capable of automatically anticipating and responding to power system disturbances (including the isolation of failed sections and components), while optimizing the performance and service to important customers.

(8) SPINNING RESERVE SERVICES.—The term “spinning reserve services” means a quantity of electric generating capacity in excess of the quantity needed to meet peak electric demand.

(9) ULTRACAPACITOR.—The term “ultracapacitor” means an energy storage device that has a power density comparable to a conventional capacitor but is capable of exceeding the energy density of a conventional capacitor by several orders of magnitude.

(c) PROGRAM.—The Secretary shall carry out a research, development, and demonstration program to support the ability of the United States to remain globally competitive in energy storage systems for electric drive vehicles, stationary applications, and electric power transmission and distribution.

(d) COORDINATION.—In carrying out the activities of this section, the Secretary shall...
coordinate relevant efforts with appropriate Federal agencies, including the Department of Transportation.

(e) ENERGY STORAGE ADVISORY COUNCIL.—

(1) For this subsection.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish an Energy Storage Advisory Council.

(2) COMPOSITION.—

(A) In general.—Subject to subparagraph (B), the Council shall consist of not less than 15 individuals appointed by the Secretary, based on recommendations of the National Academy of Sciences.

(B) ENERGY STORAGE INDUSTRY.—The Council shall consist of representatives of the energy storage industry of the United States.

(C) CHAIRPERSON.—The Secretary shall select a Chairperson for the Council from among the members appointed under subparagraph (A).

(3) MEETINGS.—

(A) IN GENERAL.—The Council shall meet not less than once a year.

(B) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the meeting of the Council.

(4) PLANS.—No later than 1 year after the date of enactment of this Act and every 5 years thereafter, the Council, in conjunction with the Secretary, shall develop a 5-year plan for integrating basic and applied research on energy storage conducted by the United States, a globally competitive domestic energy storage industry for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(B) DEPARTMENT OF TRANSPORTATION.—The Secretary shall coordinate relevant efforts with appropriate Federal agencies, including the public, private, and academic sectors.

(h) ENERGY STORAGE RESEARCH CENTERS.—

(1) IN GENERAL.—The Secretary shall establish, through grants, not more than 4 energy storage research centers to translate basic research into applied technologies to advance the capability of the United States to maintain a globally competitive posture in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(2) PROGRAM MANAGEMENT.—The centers shall be managed by the Under Secretary for Science of the Department.

(3) PARTNERSHIPS AND COLLABORATIONS.—As a condition of participating in a center, a participant shall enter into a participation agreement with the Secretary. The provisions of this section shall apply to a center.

(4) FUNDING.—A center shall conduct activities that promote the achievement of the goals of the plans of the Council under subsection (e). The Secretary shall provide funds to, and coordinate relevant efforts with appropriate Federal agencies, including the public, private, and academic sectors.

(g) APPLICATION PROGRAM.—

(1) IN GENERAL.—The Secretary shall conduct a research program on energy storage systems to support electric drive vehicles, stationary applications, and electricity transmission and distribution.

(A) Batteries and battery systems (including flow batteries);

(B) Compressed air energy systems;

(C) Power conditioning electronics;

(D) Manufacturing technologies for energy storage systems;

(E) Thermal management systems; and

(F) Hydrogen as an energy storage medium.

(2) FUNDING.—The Secretary shall carry out this subsection, in addition to funding activities at National Laboratories, the Secretary shall provide funds to, and coordinate activities with, a range of stakeholders, including the public, private, and academic sectors.

(h) ENERGY STORAGE RESEARCH CENTERS.—

(1) IN GENERAL.—The Secretary shall establish, through grants, not more than 4 energy storage research centers to translate basic research into applied technologies to advance the capability of the United States to maintain a globally competitive posture in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(2) PROGRAM MANAGEMENT.—The centers shall be managed by the Under Secretary for Science of the Department.

(3) PARTNERSHIPS AND COLLABORATIONS.—As a condition of participating in a center, a participant shall enter into a participation agreement with the Secretary. The provisions of this section shall apply to a center.

(4) FUNDING.—A center shall conduct activities that promote the achievement of the goals of the plans of the Council under subsection (e).

(5) NATIONAL LABORATORIES.—A national laboratory (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801)) may participate in a center established under this subsection, including a cooperative research and development agreement (as defined in section 12(d) of the Stevenson-Wydler Technology Innovation Act of 1989 (15 U.S.C. 3710a(d))).

(6) DISCLOSURE.—Section 623 of the Energy Policy Act of 1992 (42 U.S.C. 13239) shall apply to any participation agreement, grant, contract, or cooperative agreement under this subsection.

(7) INTELLECTUAL PROPERTY.—In accordance with section 135, 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. 5908), the Secretary may require, for any new invention developed under this subsection, that—

(A) if an industrial participant is active in a energy storage research center established under this subsection relating to the advancement of energy storage technologies carried out in part with Federal funding, the industrial participant is grantor of the first option to negotiate with the invention owner, at least in the field of energy storage technologies on nonexclusive licenses, and royalties on terms that are reasonable, as determined by the Secretary;

(B) if 1 or more industry participants are active in the center, during a 5-year period beginning on the date on which an invention is made—

(1) the patent holder shall negotiate any license or royalty agreement with any entity that is not an industrial participant under this subsection; and

(2) the patent holder shall negotiate nonexclusive licenses on fair, reasonable, and non-discriminatory terms in good faith with any interested industrial participant under this subsection; and

(3) the new invention be developed under such other terms as the Secretary determines to be necessary to promote the accelerated commercialization of inventions made pursuant to this subsection.

(i) ENERGY STORAGE SYSTEMS DEMONSTRATIONS.—

(1) IN GENERAL.—The Secretary shall carry out a program of new demonstrations of advanced energy storage systems.

(2) DEMONSTRATIONS.—The demonstrations shall—

(A) be regionally diversified; and

(B) expand on the existing technology demonstration program of the Department.

(3) STAKEHOLDERS.—In carrying out the demonstrations, the Secretary shall to the maximum extent practicable, include the participation of a range of stakeholders, including—

(A) electric drive cooperatives;

(B) investor owned utilities;

(C) municipally owned electric utilities;

(D) energy storage systems manufacturers;

(E) electric drive vehicle manufacturers;

(F) renewable energy production industry;

(G) State or local energy offices;

(H) the fuel cell industry; and

(I) other institutions of high innovation.

(4) OBJECTIVES.—Each of the demonstrations shall include 1 or more of the following:

(A) Energy storage to improve the feasibility of microgrids or islands, or transmission and distribution capability, to improve reliability in rural areas.

(B) Integration of an energy storage system with a self-healing grid.

(C) Use of energy storage to improve security to emergency response infrastructure and availability of emergency backup power for consumers.

(D) Integration with a renewable energy production source, at the source or away from the source.

(E) Use of energy storage to provide ancillary services, such as spinning reserve services, for grid management.

(F) Advancement of power conversion systems to make the systems smarter, more efficient, able to communicate with other inventors, and able to control voltage.

(G) Use of energy storage to optimize transmission and distribution operation and power quality, which could address over-loaded lines and maintenance of transformers and substations.

(H) Use of advanced energy storage for peak load management of homes, businesses, and the grid.

(i) Use of energy storage devices to store energy during nonpeak generation periods to make better use of existing grid assets.

(3) VEHICLE ENERGY STORAGE DEMONSTRATION.—

(1) IN GENERAL.—The Secretary shall carry out a program of electric drive vehicle energy storage technology demonstrations.

(2) CONSORTIA.—The technology demonstrations shall be conducted through consortia, which may include—

(A) energy storage systems manufacturers and suppliers of the manufacturers;

(B) electric drive vehicle manufacturers;

(C) electric drive vehicle manufacturers;

(D) electric drive vehicle manufacturers;

(E) municipal and rural electric utilities;

(F) State and local governments;

(G) metropolitan transportation authorities; and

(H) institutions of higher education.

(3) OBJECTIVES.—The program shall demonstrate 1 or more of the following:

(A) high efficiency energy storage, charging, and control systems, along with the collection of data on
performance characteristics, such as battery life, energy storage capacity, and power delivery capacity.

(B) Advanced onboard energy management systems and highly efficient battery cooling systems.

(C) Integration of those systems on a prototype vehicle platform, including with drivetrains for passenger, commercial, and nonroad electric drive vehicles.

(D) New technologies and processes that reduce manufacturing costs.

(E) Development of advanced vehicle technologies with electricity distribution system and smart metering technology.

(F) Control systems that minimize emissions from clean diesel engines, in which clean diesel engines are part of a plug-in hybrid drive system.

(k) SECONDARY APPLICATIONS AND DISPOSAL OF ELECTRIC DRIVE VEHICLE BATTERIES.—The Secretary shall carry out a program of research, development, and demonstration of—

(1) secondary applications of energy storage devices following service in electric drive vehicles; and

(2) technologies and processes for final recycling and disposal of the devices.

(l) REPORTING.—The Secretary shall carry out the programs established under this section in accordance with section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16532).

(m) MERT REVIEW OF PROPOSALS.—The Secretary shall carry out the programs established under subsections (j), (k), and (l) in accordance with section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16533).

(n) COORDINATION AND NONDUPLICATION.—To the maximum extent practicable, the Secretary shall coordinate activities under this section with other programs and laboratories of the Department and other Federal research programs.

(o) REVIEW BY NATIONAL ACADEMY OF SCIENCES.—On the business day that is 5 years after the date of enactment of this Act, the Secretary shall offer to enter into an arrangement with the National Academy of Sciences to assess the performance of the Department in carrying out this section.

(p) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out—

(1) the basic research program under subsection (a) $100,000,000 for each of fiscal years 2009 through 2018;

(2) the applied research program under subsection (b) $80,000,000 for each of fiscal years 2009 through 2018;

(3) the energy storage systems demonstration program under subsection (c) $100,000,000 for each of fiscal years 2009 through 2018;

(4) the energy storage systems demonstration program under subsection (d) $50,000,000 for each of fiscal years 2009 through 2018;

(5) the vehicle energy storage demonstration program under subsection (e) $50,000,000 for each of fiscal years 2009 through 2018; and

(6) the secondary applications and disposal of electric drive vehicle batteries program under subsection (f) $50,000,000 for each of fiscal years 2009 through 2018.

Subtitle E—Miscellaneous Provisions

SEC. 651. LIGHTWEIGHT MATERIALS RESEARCH AND DEVELOPMENT.

(a) In General.—As soon as practicable after the date of enactment of this Act, the Secretary of Energy shall establish a program to determine ways in which the weight of motor vehicles can be reduced to improve fuel efficiency without compromising passenger safety by conducting research, development, and demonstration relating to—

(1) the development of new materials (including cast metal composite materials formed by auto combustion synthesis) and material processes that yield a higher strength-to-weight ratio or other properties that reduce vehicle weight; and

(2) reducing the cost of—

(A) lightweight materials (including high-strength steel alloys, aluminum, magnesium, metal composites, and carbon fiber reinforced polymer composites) with the properties required for construction of lightweight vehicles; and

(B) materials processing, automated manufacturing, joining, and recycling lightweight materials fabrication processes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection and the programs established under this section $30,000,000 for the period of fiscal years 2009 through 2012.

SEC. 652. COMMERCIAL INSULATION DEMONSTRATION PROGRAM.

(a) DEFINITIONS.—

(1)ADVANCED INSULATION.—The term ‘‘advanced insulation’’ means insulation that has an R value of not less than R35 per inch.

(2)COVERED REFRIGERATION UNIT.—The term ‘‘covered refrigeration unit’’ means any—

(A) commercial refrigerated truck;

(B) commercial refrigerator smaller than the truck; or

(C) commercial refrigerator, freezer, or re-frigerator-freezer described in section 432(c) of the Energy Policy and Conservation Act (42 U.S.C. 6312).

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that includes any—

(1) the state of technological advancement of advanced insulation; and

(2) the projected amount of cost savings that would be generated by implementing advanced insulation into covered refrigeration units.

(c) DEMONSTRATION PROGRAM.—

(1) ESTABLISHMENT.—If the Secretary determines in the report described in subsection (b) that the implementation of advanced insulation into covered refrigeration units would generate an economically justifiable amount of cost savings, the Secretary, in cooperation with manufacturers of covered refrigeration units, shall establish a demonstration program under which the Secretary shall demonstrate the cost-effectiveness of advanced insulation.

(2) DISCRIMINATORY USE.—The Secretary may, for a period of up to five years after an award is granted under the demonstration program, exempt from mandatory disclosure under section 552 of title 5, United States Code (popularly known as the Freedom of Information Act) any information that the Secretary determines would be privileged or confidential trade secret or commercial or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government party.

(d) COST-SHARING.—The Energy Policy Act of 2005 (42 U.S.C. 16532) shall apply to any project carried out under this subsection.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000 for the period of fiscal years 2009 through 2014.

SEC. 653. TECHNICAL CRITERIA FOR CLEAN COAL POWER INITIATIVE.

Section 502(b)(15)(B)(ii) of the Energy Policy Act of 2005 (42 U.S.C. 15362(b)(15)(B)(ii)) is amended by striking subsection (I) and inserting the following:

‘‘(I)(a) to remove at least 99 percent of sulfur dioxide from the fuel; and

‘‘(bb) to emit not more than 0.04 pound SO2 per million Btu, based on a 30-day average;’’.

SEC. 654. H-PRIZE.

Section 1008 of the Energy Policy Act of 2005 (42 U.S.C. 16536) is amended by adding at the end the following new subsection:

‘‘(g) H-PRIZE.—

(1) PRIZE AUTHORITY.—

(A) In general.—As part of the program under this section, the Secretary shall carry out a program to conduct cash prizes in conformity with this subsection to advance the research, development, demonstration, and commercial application of hydrogen energy technologies.

(B) ADVERTISING AND SOLICITATION OF COM-PETITORS.—

(ii) ADVERTISING.—The Secretary shall widely advertise prize competitions under this subsection to encourage broad participation, including by individuals, universities and historically Black colleges and universities and other minority serving institutions, and large and small businesses (including businesses owned or controlled by women and economically disadvantaged persons).

(II) ANNOUNCEMENT THROUGH FEDERAL REGISTER NOTICE.—The Secretary shall announce each prize competition under this subsection by publishing a notice in the Federal Register. This notice shall include essential elements of the competition such as the subject of the competition, the eligibility requirements for participation in the competition, the process for participants to register for the competition, the competition rules, the size of the prize, and the criteria for awarding the prize.

(C) ADMINISTERING THE COMPETITIONS.—

The Secretary shall enter into an agreement with a nonprofit organization to administer the prize competitions under this subsection, subject to the provisions of this subsection in this section referred to as the ‘‘administering entity.’’ The duties of the administering entity under the agreement shall include—

(i) advertising prize competitions under this subsection and their results;

(ii) raising funds from private entities and individuals to pay for administrative costs and to contribute to cash prizes, including funds provided in exchange for the right to name a prize awarded under this subsection;

(iii) developing, in consultation with and subject to the final approval of the Secretary, the criteria for selecting winners in prize competitions under this subsection, based on goals provided for by the Secretary;

(iv) determining, in consultation with the Secretary, the appropriate amount and fund allocation for each award under this subsection, subject to the final approval of the Secretary with respect to Federal funding;

(v) providing advice and consultation to the Secretary on the selection of judges in accordance with paragraph (2)(D), using criteria developed in consultation with and sub-ject to the final approval of the Secretary; and

(vi) protecting against the administering entity’s unauthorized use or disclosure of a recipient’s participation or confidentiality business information. Any information properly identified as trade secrets or confidential business information that is submitted by a participant as part of a competitive program under this subsection may be withheld from public disclosure.

(D) FUNDING SOURCES.—Prizes under this subsection shall consist of Federal appropriated funds and any funds provided by the administering entity (including funds raised pursuant to subparagraph (C)(ii)) for such competitive program. The Secretary may accept funds from other Federal agencies for such cash prizes and, notwithstanding section 3302(b) of title 31, United States Code, use such funds to fund the program under this subsection. Other than publication of the names of prize sponsors, the
Secretary may not give any special consideration to any private sector entity or individual in return for a donation to the Secretary or administering entity.

(5) LIABILITY.—The Secretary may not give any special consideration to any private sector entity or individual in return for a donation to the Secretary or administering entity.

(6) REPORT TO CONGRESS.—No later than 60 days after the awarding of the first prize under this subsection and annually thereafter, the Secretary shall transmit to the Congress a report that—

(A) identifies each award recipient; and

(B) describes the technologies developed by each award recipient; and

(C) specifies actions being taken toward commercial application of all technologies identified under paragraph (A).

(7) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There are authorized to be appropriated—

(I) $30,000,000 for the award described in paragraph (2)(A)(ii); and

(II) $10,000,000 for the award described in paragraph (2)(A)(iii).

(B) ADMINISTRATION.—In addition to the amounts authorized in clause (i), there are authorized to be appropriated in fiscal years 2008 through 2017 for the administrative costs of carrying out this subsection—

(1) $2,000,000 for the award described in paragraph (2)(A)(ii); and

(2) $2,000,000 for the award described in paragraph (2)(A)(iii).

(C) CARAVAN OF WINDS.—Funds appropriated for prize awards under this subsection shall remain available until expended, and may be transferred, reprogrammed, or expended for other purposes only after the expiration of 10 fiscal years after the fiscal year for which the funds were originally appropriated. No provision in this subsection permits obligation or payment of funds in violation of section 1341 of title 31 of the United States Code (commonly referred to as the Anti-Deficiency Act).

(D) NONSUBSTITUTION.—The programs created under this subsection shall not be considered a substitute for Federal research and development programs.

(8) CONCLUSION.—The Secretary of Energy shall submit to the Congress, not later than 60 days after the awarding of the first prize under this subsection, a report that—

(A) determines the total amount of funds authorized for prize awards under this subsection; and

(B) describes—

(i) the amount of funds received by the Secretary, or the administering entity, and used for the purpose of carrying out this subsection; and

(ii) the amount of funds received by the Secretary, or the administering entity, and used for the purpose of carrying out this subsection.

(9) RULES FOR RECIPIENT.—The Secretary may by rule prescribe regulations for the implementation of this subsection. Any regulations prescribed under this subsection shall be consistent with this Act.

(10) ON-TIME SUBMISSION.—The Secretary shall give notice of any award required under this subsection for which no recipient has been identified. The Secretary may not make an award under this subsection until the notice has been given.

(11) CONCLUSION.—The Secretary shall submit to the Congress, not later than 60 days after the awarding of the first prize under this subsection, a report that—

(A) determines the total amount of funds authorized for prize awards under this subsection; and

(B) describes—

(i) the amount of funds received by the Secretary, or the administering entity, and used for the purpose of carrying out this subsection; and

(ii) the amount of funds received by the Secretary, or the administering entity, and used for the purpose of carrying out this subsection.

(12) RULES FOR RECIPIENT.—The Secretary may by rule prescribe regulations for the implementation of this subsection. Any regulations prescribed under this subsection shall be consistent with this Act.

(13) ON-TIME SUBMISSION.—The Secretary shall give notice of any award required under this subsection for which no recipient has been identified. The Secretary may not make an award under this subsection until the notice has been given.
SEC. 655. BRIGHT TOMORROW LIGHTING PRIZES.
(a) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, as part of the program carried out under section 1003 of the Energy Policy Act of 2005 (42 U.S.C. 18396), the Secretary shall establish and award Bright Tomorrow Lighting Prizes for solid-state lighting in accordance with this section.
(b) PRIZE SPECIFICATIONS.—
(1) 60-WATT INCANDESCENT REPLACEMENT LAMP PRIZE.—The Secretary shall award a 60-Watt Incandescent Replacement Lamp Prize to an entrant that produces a solid-state light package simultaneously capable of—
(A) producing a lumen output greater than 1,200 lumens;
(B) having an efficiency greater than 150 lumens per watt;
(C) having a color rendering index greater than 90;
(D) having a color coordinate temperature between 2,800 and 3,000 degrees Kelvin; and
(E) having a lifetime exceeding 25,000 hours.
(2) PAR TYPE 38 HALOGEN REPLACEMENT LAMP PRIZE.—The Secretary shall award a PAR Type 38 Halogen Replacement Lamp Prize to an entrant that produces a solid-state light package simultaneously capable of—
(A) producing a lumen output greater than 2100 lumens;
(B) having a color rendering index greater than 90;
(C) having a correlated color temperature of not less than 2,750, and not more than 3,000, degrees Kelvin;
(D) having a light distribution pattern similar to a soft 60-watt incandescent A19 bulb;
(E) having a size and shape that fits within the maximum dimensions of an A19 bulb to accordance with American National Standards Institute standard C78.20–2003, figure C78.21–2003;
(f) mass production for a competitive sales price;
(g) having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use;
(h) having a light distribution pattern similar to a soft 60-watt incandescent A19 bulb;
(i) being a solid-state-light package described in subparagraph (A) through (f), having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use; and
(j) being an efficiency greater than 123 lumens per watt;
(k) having a color rendering index greater than 90;
(l) having a correlated color coordinate temperature of not less than 2,750, and not more than 3,000, degrees Kelvin;
(m) producing a light output greater than 1,200 lumens;
(n) having an efficiency greater than 150 lumens per watt;
(o) having a color rendering index greater than 90;
(p) having a color coordinate temperature between 2,800 and 3,000 degrees Kelvin; and
(q) having a lifetime exceeding 25,000 hours.
(c) PRIVATE FUNDS.—
(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding section 3302 of title 31, United States Code, the Secretary may accept, retain, and use funds contributed by any person, government entity, or organization for purposes of carrying out this section—
(A) without further appropriation; and
(B) without fiscal year limitation.
(2) PRIZE COMPETITION.—A private source of funding may not participate in the competition for prizes awarded under this section.
(d) Technical Review.—The Secretary shall establish a technical review committee composed of non-Federal officials to review entrant data submitted under this section to determine whether the data meets the prize specifications described in subsection (b).
(e) THIRD PARTY ADMINISTRATION.—The Secretary may competitively select a third party to administer awards under this section.
(f) ELIGIBILITY FOR PRIZES.—To be eligible to be awarded a prize, an entrant—
(1) in the case of a private entity, the entity shall be incorporated in and maintain a primary place of business in the United States; and
(2) in the case of an individual (whether participating as a single individual or in a group), the individual shall be a citizen or lawful permanent resident of the United States.
(g) AWARD AMOUNTS.—Subject to the availability of funds to carry out this section, the amount of—
(1) the 60-Watt Incandescent Replacement Lamp Prize described in subsection (b)(1) shall be $5,000,000; and
(2) the PAR Type 38 Halogen Replacement Lamp Prize described in subsection (b)(2) shall be $5,000,000; and
(3) the Twenty-First Century Lamp Prize described in subsection (b)(3) shall be $5,000,000.
(h) FEDERAL PROCUREMENT OF SOLID-STATE-LIGHTING PRODUCTS.—
(1) 60-WATT INCANDESCENT REPLACEMENT.—Subject to paragraph (3), as soon as practicable after the successful award of the 60-Watt Incandescent Replacement Lamp Prize under subsection (b)(1), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with a goal of replacing the use of 60-watt incandescent lamps in Federal Government buildings with a solid-state-light-package described in subsection (b)(1) by not later than the date that is 5 years after the date the award is made.
(2) PAR 38 HALOGEN REPLACEMENT LAMP REPLACEMENT.—Subject to paragraph (3), as soon as practicable after the successful award of the PAR Type 38 Halogen Replacement Lamp Prize under subsection (b)(2), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with a goal of replacing the use of PAR 38 halogen lamps in Federal Government buildings with a solid-state-light-package described in subsection (b)(2) by not later than the date that is 5 years after the date the award is made.
(i) WAXライト PRIZE.—
(1) IN GENERAL.—The Secretary or the Administrator of General Services may waive the application of paragraph (1) or (2) if the Secretary or Administrator determines that the return on investment from the purchase of a solid-state-light-package described in paragraph (1) or (2) of subsection (b), respectively, is cost prohibitive.
(2) REPORT OF WAIVER.—If the Secretary or Administrator waives the application of paragraph (1) or (2), the Secretary or Administrator, respectively, shall submit to Congress an annual report that describes the waiver and provides a detailed justification for the waiver.
(3) SEC. 656. RENEWABLE ENERGY INNOVATION MANUFACTURING PARTNERSHIP.
(a) ESTABLISHMENT.—The Secretary shall carry out a program, to be known as the Renewable Energy Innovation Manufacturing Partnership Program (referred to in this section as the “Program”), to make assistance awards for eligible entities for use in carrying out research, development, and demonstration relating to the manufacturing of renewable energy technologies.
(b) ELIGIBILITY.—To carry out the Program, the Secretary shall annually conduct a competitive solicitation for assistance awards for an eligible project described in subsection (e).
(c) PROGRAM PURPOSES.—The purposes of the Program are—
(1) to develop, or aid in the development of, advanced manufacturing processes, materials, and infrastructure;
(2) to increase the domestic production of renewable energy technology and components; and
(3) to better coordinate Federal, State, and private resources to meet regional and national renewable energy goals through advanced manufacturing partnerships.
(d) ELIGIBLE ENTITIES.—An entity shall be eligible to receive an assistance award under the Program to carry out an eligible project described in subsection (e) if the entity is composed of—
(1) 1 or more public or private nonprofit institutions or national laboratories engaged in research, development, demonstration, or technology transfer, that would participate substantially in the project; and
(2) 1 or more private entities engaged in the manufacturing or development of renewable energy system components (including solar energy, wind energy, biomass, geothermal energy, energy storage, or fuel cells).
(e) ELIGIBLE PROJECTS.—An eligible entity may use an assistance award provided under this section to carry out a project relating to—
(1) the conduct of studies of market opportunities for component manufacturing of renewable energy systems;
(2) the conduct of multyear applied research, search, development, demonstration, and deployment projects for advanced manufacturing processes, materials, and infrastructure, including large-scale demonstration systems; and

(3) other similar ventures, as approved by the Secretary, that promote advanced manufacturing technologies.

(1) GUIDELINES.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under the Program.

(a) AMENDMENT.—Section 908 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to a project carried out under this section.

(b) DISCLOSURE.—The Secretary may, for a period of up to five years after an award is granted under this section, exempt from mandatory disclosure under section 522 of title 5, United States Code (popularly known as the Freedom of Information Act) information that the Secretary determines would be a privileged or confidential trade secret or commercial or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government source.

(1) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Secretary should ensure that small businesses engaged in new energy advancement are given appropriate consideration for the assistance awards provided under this section.

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated out of funds already authorized to carry out this section $25,000,000 for each of fiscal years 2008 through 2013, to remain available until expended.

TITLE VII—CARBON CAPTURE AND SEQUESTRATION

Subtitle A—Carbon Capture and Sequestration Research, Development, and Demonstration

SEC. 701. SHORT TITLE.

This subtitle may be cited as the “Department of Energy Carbon Capture and Sequestration Research, Development, and Demonstration Act of 2007.”

(a) AMENDMENT.—Section 908 of the Energy Policy Act of 2005 (42 U.S.C. 16352) is amended—

(1) in the section heading, by striking “RESEARCH AND DEVELOPMENT” and inserting “AND SEQUESTRATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION”;

(A) by striking “research and development” and inserting “and sequestration research, development, and demonstration”;

and

(B) by striking “capture technologies on combustion-based systems” and inserting “capture and sequestration technologies related to industrial sources of carbon dioxide”;

(C) in subsection (b)—

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

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

and

(C) by adding at the end the following:

“(5) to expedite and carry out large-scale testing of carbon sequestration systems in a range of geologic formations that will provide information on the cost and feasibility of deployment of sequestration technologies; and

(4) by striking subsection (c) and inserting the following:

“(1) FUNDAMENTAL SCIENCE AND ENGINEERING RESEARCH AND DEVELOPMENT AND DEMONSTRATION SUPPORTING CARBON CAPTURE AND SEQUESTRATION TECHNOLOGIES AND CARBON USE ACTIVITIES.—

(A) IN GENERAL.—The Secretary shall carry out fundamental science and engineering research (including laboratory-scale experiments, numeric modeling, and simulations) to develop and document the performance of new approaches to capture and sequester, or use carbon dioxide to lead to an overall reduction of carbon dioxide emissions.

(B) PROGRAM IMPLEMENTATION.—The Secretary shall ensure that fundamental research carried out under this paragraph is appropriately applied to energy technology development activities, the field testing of carbon sequestration, and carbon use activities, including—

(i) development of new or advanced technologies for the capture and sequestration of carbon dioxide;

(ii) development of new or advanced technologies that reduce the cost and increase the efficacy of advanced compression of carbon dioxide required for the sequestration of carbon dioxide;

(iii) modeling and simulation of geologic sequestration field demonstrations;

(iv) quantitative assessment of risks relating to specific field sites for testing of sequestration technologies;

(v) research, development of new and advanced technologies for carbon use, including recycling and reuse of carbon dioxide; and

(vi) research and development of new and advanced technologies for the separation of oxygen from air.

(2) FIELD VALIDATION TESTING ACTIVITIES.—

(A) IN GENERAL.—The Secretary shall promote to the maximum extent practicable, regional carbon sequestration partnerships to conduct field-scale sequestration tests involving carbon dioxide injection and monitoring, mitigation, and verification operations in a variety of candidate geologic settings, including—

(i) operating oil and gas fields;

(ii) depleted oil and gas fields;

(iii) unmineable coal seams;

(iv) deep saline formations;

(v) deep geologic systems that may be used as engineered reservoirs to extract economical quantities of heat from geothermal resources of low permeability or porosity; and

(vi) deep geologic systems containing basalt formations.

(B) OBJECTIVES.—The objectives of tests conducted under this paragraph shall be—

(i) to develop and validate geophysical tools, analysis, and modeling to monitor, predict, and verify carbon dioxide containment;

(ii) to validate modeling of geologic formations;

(iii) to refine sequestration capacity estimated for particular geologic formations;

(iv) to determine the fate of carbon dioxide concurrent with and following injection into geologic formations;

(v) to develop and implement best practices for operations relating to, and monitoring of, carbon dioxide injection and sequestration technologies;

(vi) to assess and ensure the safety of operations related to geologic sequestration of carbon dioxide;

(vii) to allow the Secretary to promulgate policies, procedures, requirements, and guidance to ensure that the objectives of this subparagraph are met in large-scale testing and development activities for carbon capture and sequestration that are funded by the Department of Energy; and

(viii) to provide information to States, the Environmental Protection Agency, and other appropriate entities to support development of a regulatory framework for monitoring and ensuring the protection of human health and the environment.

(C) LARGE-SCALE CARBON DIOXIDE SEQUESTRATION TESTING.—

(A) IN GENERAL.—The Secretary shall conduct not less than 7 initial large-scale sequestration tests, not including the multiyear project, for demonstration of the injection of carbon dioxide to collect and validate information on the cost and feasibility of commercial deployment of geologic containment of carbon dioxide. These 7 tests may include any Regional Partnership projects awarded as of the date of enactment of the Department of Energy Carbon Capture and Sequestration Research, Development, and Demonstration Act of 2007.

(B) DIVERSITY OF FORMATIONS TO BE STUDIED.—In selecting formations for study under this paragraph, the Secretary shall consider a variety of geologic formations across the United States, and require characterization and modeling of candidate formations, as determined by the Secretary.

(D) SOURCE OF CARBON DIOXIDE FOR LARGE-SCALE SEQUESTRATION TESTS.—In the process of selecting a carbon dioxide source for sequestration tests under subparagraph (A), the Secretary shall give preference to sources of carbon dioxide from industrial sources. To the extent that the Secretary shall prefer tests that would facilitate the creation of an integrated system of capture, transportation, and sequestration of carbon dioxide. The preference provided for under this subparagraph shall not delay the implementation of the large-scale sequestration tests under this paragraph.

(E) DEFINITION.—For purposes of this paragraph, the term ‘large-scale’ means the injection of more than 1,000,000 tons of carbon dioxide from industrial sources annually or a scale that demonstrates the ability to inject and sequester several million metric tons of industrial source carbon dioxide for a large number of years.

(F) PREFERENCE IN PROJECT SELECTION FROM MERITORIOUS PROPOSALS.—In making competitive awards under this subsection, subject to the requirements of section 909, the Secretary shall—

(A) give preference to proposals from partnerships among federal, academic, and government entities;

(B) require recipients to provide assurances that all laborers and mechanics employed by contractors and subcontractors in the construction, repair, or alteration of new or existing facilities performed in order to carry out a demonstration or commercial application activity and any costs of the subsection shall be paid at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor, and

(C) in selecting among proposals, give preference to those submitted in accordance with subchapter IV of chapter 31 of title 49, United States Code, and the Secretary of Labor shall, with respect to the labor standards in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 Fed. Reg. 3176; 5 U.S.C. Appendix) and section 3145 of title 40, United States Code.

(G) COST SHARING.—Activities under this subsection shall be considered research and development activities that are subject to the cost sharing requirements of section 908(b).

(H) PROGRAM REVIEW AND REPORT.—During fiscal year 2011, the Secretary shall—

(I) prepare a report to the Congress on the activities carried out under this subsection; and

(J) prepare a report to the Congress on the activities carried out under this subsection; and
(B) make recommendations with respect to continuation of the activities.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the section—

(1) $240,000,000 for fiscal year 2008;
(2) $240,000,000 for fiscal year 2009;
(3) $240,000,000 for fiscal year 2010;
(4) $240,000,000 for fiscal year 2011; and
(5) $240,000,000 for fiscal year 2012.

(b) TABLE OF CONTENTS AMENDMENT.—The item relating to section 963 in the table of contents of the Energy Policy Act of 2005 is amended to read as follows:

“Sec. 963. Carbon capture and sequestration research, development, and demonstration program.”

SEC. 703. CARBON CAPTURE.

(a) PROGRAM ESTABLISHMENT.—(1) IN GENERAL.—The Secretary shall carry out a program to demonstrate technologies for the large-scale capture of carbon dioxide from industrial sources. In making awards under this program, the Secretary shall select, as appropriate, a diversity of capture technologies to address the need to capture carbon dioxide from a range of industrial sources.

(2) SCOPE OF AWARD.—Awards under this section shall be only for the portion of the project that—

(A) carries out the large-scale capture (including measured compression of carbon dioxide from industrial sources);
(B) provides for the transportation and injection of carbon dioxide; and
(C) incorporates a comprehensive measurement, monitoring, and validation program.

(3) PREFERENCES FOR AWARD.—To ensure reduced carbon dioxide emissions, the Secretary shall give priority consideration to projects that—

(A) capture the largest possible fraction of the total carbon dioxide emissions from a plant of the appropriate type that is representative of industrial sources, on the basis of the potential for long-term, cost-effective carbon dioxide capture and sequestration.

(b) GRANT PROGRAM.

(1) ESTABLISHMENT.—The Secretary shall establish a competitive grant program through which colleges and universities may apply for and receive funds to—

(A) develop and implement programs to prepare students for careers in the field of carbon capture and sequestration; and
(B) internships for graduate students in geologic sequestration science.

(2) RENEWAL.—Grants under this subsection shall be renewable for up to 2 additional 3-year terms, based on performance criteria established by the Secretary.

(3) INTERFACE WITH REGIONAL GEOLOGIC CARBON SEQUESTRATION PARTNERSHIPS.—To the greatest extent possible, geologic carbon sequestration science programs supported under this subsection shall interface with the Regional Carbon Sequestration Partnerships operated by the Department to provide internships and practical training in carbon capture and geologic sequestration.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this subsection $5,000,000 for each fiscal year.

SEC. 706. GEOLOGIC SEQUESTRATION SELECTION AND RESEARCH.

(a) STUDY.—(1) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences to undertake a study that—

(A) defines an interdisciplinary program in geology, engineering, hydrology, environmental science, and related disciplines that will support the Nation’s capability to capture and sequester carbon dioxide from anthropogenic sources;

(B) addresses undergraduate and graduate education, especially to help develop graduate level programs of research and instruction that lead to advanced degrees with emphasis on geologic sequestration science; and

(C) develops guidelines for proposals from colleges and universities with substantial capabilities in the required disciplines that seek to implement geologic sequestration science programs that advance the Nation’s capability to capture and sequester carbon dioxide through geologic sequestration science; and

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Congress a copy of the results of the study provided by the National Academy of Sciences under paragraph (1).

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $240,000,000 for fiscal year 2008.

(c) ENGINEERED HAZARD.—The term “engineered hazard” includes the location and completion history of any well that could affect mineral or water resources. Nothing in this Act includes any engineered hazard that may be associated with capture, injection, and sequestration of greenhouse gases in geologic reservoirs.

SEC. 707. SAFETY RESEARCH.

(a) PROGRAM.—The Administrator of the Environmental Protection Agency shall conduct a research program to address public health, safety, and environmental impacts that may be associated with capture, injection, and sequestration of greenhouse gases in geologic reservoirs.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for this section $6,000,000 for each fiscal year.

SEC. 708. UNIVERSITY BASED RESEARCH AND DEVELOPMENT GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in consultation with other appropriate agencies, shall establish a university based research and development program to study carbon capture and sequestration using the various types of coal.

(b) RURAL AND AGRICULTURAL INSTITUTIONS.—The Secretary shall give special consideration to rural or underserved institutions in areas that have regional sources of coal and that offer interdisciplinary programs in the area of environmental science to study carbon capture and sequestration.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are to be authorized to be appropriated $5,000,000 to carry out this section.

Subtitle B—Carbon Capture and Sequestration Assessment and Framework

SEC. 711. CARBON DIOXIDE SEQUESTRATION AUTHORIZATION OF APPROPRIATIONS.

(a) DEFINITIONS.—In this section

(1) ASSESSMENT.—The term “assessment” means the national assessment of onshore capacity for carbon dioxide completed under subsection (b).

(2) CAPACITY.—The term “capacity” means the portion of a sequestration formation that can retain carbon dioxide in accordance with the requirements (including physical, geological, and economic requirements) established under the methodology developed under subsection (e).

(3) ENGINEERED HAZARD.—The term “engineered hazard” includes the location and completion history of any well that could affect mineral or water resources.

(4) RISK.—The term “risk” includes any risk posed by geomechanical, geochemical, hydrogeological, structural, and engineered hazards.

(b) AUTHORIZATION OF APPROPRIATIONS.—The term “Secretary” means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(c) ENGINEERED HAZARD.—The term “engineered hazard” means a deep saline formation, unmineable coal seam, or oil and gas reservoir that has been depleted or abandoned, including the volume of industrial carbon dioxide.

(d) METROLOGY.—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a methodology for conducting an assessment under subsection (b), taking into consideration—

(1) the geographical extent of all potential sequestration formations in all States;

(2) the capacity of the potential sequestration formations;

(3) the injectivity of the potential sequestration formations;

(4) an estimate of potential volumes of oil and gas recoverable by injection and sequestration of industrial carbon dioxide in potential sequestration formations; and

(5) the risk associated with the potential sequestration formations; and
(6) the work done to develop the Carbon Sequestration Atlas of the United States and Canada that was completed by the Department.

(c) COORDINATION.—

(1) FEDERAL COORDINATION.—

(A) CONSULTATION.—The Secretary shall consult with the Secretary of Energy and the Administrator of the Environmental Protection Agency on issues of data sharing, format, development of the methodology, and content of the assessment required under this section to ensure the maximum usefulness and success of the assessment.

(B) COOPERATION.—The Secretary of Energy and the Administrator shall cooperate with the Secretary to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(2) STATE COORDINATION.—The Secretary shall consult with State geological surveys and other relevant entities to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(d) EXTERNAL REVIEW AND PUBLICATION.—

On completion of the methodology under subsection (b), the Secretary shall—

(1) publish the methodology and solicit comments from public and the heads of affected Federal and State agencies;

(2) establish a panel of individuals with expertise in the matters described in paragraph (1), composed, as appropriate, of representatives of Federal agencies, institutions of higher education, nongovernmental organizations, State organizations, academic industry, and international geoscientific organizations to review the methodology and comments received under paragraph (1); and

(3) complete the review under paragraph (2), publish in the Federal Register the revised final methodology.

(e) PERIODIC UPDATES.—The methodology developed under subsection (b) shall be updated periodically (including at least once every 5 years) to incorporate new data as the data becomes available.

(f) NATIONAL ASSESSMENT.—

(1) IN GENERAL.—Not later than 2 years after the date of publication of the methodology under subsection (d)(1), the Secretary, in consultation with the Secretary of Commerce and State geological surveys, shall complete a national assessment of capacity for carbon dioxide in geological sequestration, including—

(A) well log data;

(B) core data; and

(C) fluid sample data.

(2) PARTNERSHIP WITH OTHER DRILLING PROGRAMS.—As part of the drilling program under subsection (d)(1), the Secretary shall enter, as appropriate, into partnerships with other entities to collect and integrate data from other drilling programs relevant to the sequestration of carbon dioxide in geological sequestration formations, including—

(A) well log data;

(B) core data; and

(C) fluid sample data.

(3) PARTNERSHIP WITH OTHER DRILLING PROGRAMS.—As part of the drilling program under subsection (d)(1), the Secretary shall enter, as appropriate, into partnerships with other entities to collect and integrate data from other drilling programs relevant to the sequestration of carbon dioxide in geological sequestration formations, including—

(A) the NatCarb database, to the maximum extent practicable; or

(ii) a new database developed by the Secretary of Energy, as the Secretary of Energy determines to be necessary.

(4) INCORPORATION INTO NATCARB.—

(A) IN GENERAL.—On completion of the assessment, the Secretary of Energy and the Secretary of the Interior shall incorporate the results of the assessment using—

(i) the NatCarb database, to the maximum extent practicable; or

(ii) a new database developed by the Secretary of Energy, as the Secretary of Energy determines to be necessary.

(5) A new database shall include the data necessary to rank potential sequestration sites for capacity and risk, across the United States, within each State, by formation, and within each basin.

(5) REPORT.—Not later than 180 days after the date on which the assessment is complete, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report describing the findings under the assessment.

(6) PERIODIC UPDATES.—The national assessment developed under this section shall be updated periodically (including at least once every 5 years) to support public and private sector decisionmaking.

(g) AUTHORIZATION OF APPROPRIATIONS.—There shall be appropriated to carry out this section $30,000,000 for the period of fiscal years 2008 through 2012.

SEC. 712. ASSESSMENT OF CARBON SEQUESTRATION AND METHANE AND NITROUS OXIDE EMISSIONS FROM ECOSYSTEMS.

(a) DEFINITIONS.—In this section:

(1) ADAPTATION STRATEGY.—The term ‘adaptation strategy’ means a land use and management strategy that can be used—

(A) to increase the sequestration capabilities of covered greenhouse gases of any ecosystem; or

(B) to reduce the emissions of covered greenhouse gases from any ecosystem.

(2) ASSESSMENT.—The term ‘assessment’ means the national assessment authorized under subsection (b).

(3) COVERED GREENHOUSE GAS.—The term ‘covered greenhouse gas’ means carbon dioxide, nitrous oxide, and methane.

(4) ECOSYSTEM.—The term ‘ecosystem’ means any terrestrial, freshwater aquatic, or marine ecosystem.

(5) NATIVE PLANT SPECIES.—The term ‘native plant species’ means any noninvasive, naturally occurring plant species within an ecosystem.

(6) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

(b) AUTHORIZATION OF ASSESSMENT.—Not later than 2 years after the date on which the final methodology is published under subsection (d)(3)(D), the Secretary shall complete a national assessment of—

(1) the quantity of carbon stored in and released from ecosystems, including from man- caused and natural disturbances;

(2) the annual flux of covered greenhouse gases in and out of ecosystems.

(c) COMPONENTS.—In conducting the assessment under subsection (b), the Secretary shall—

(1) determine the processes that control the flux of covered greenhouse gases in and out of each ecosystem;

(2) estimate the potential for increasing carbon sequestration in natural and managed ecosystems through management activities or restoration activities in each ecosystem;

(3) develop near-term and long-term adaptation strategies or mitigation strategies that can be employed—

(A) to enhance the sequestration of carbon in each ecosystem;

(B) to reduce emissions of covered greenhouse gases from ecosystems; and

(C) to adapt to climate change; and

(4) estimate the annual carbon sequestration capacity of ecosystems under a range of policies in support of management activities to optimize sequestration.

(d) USE OF NATIVE PLANT SPECIES.—In developing restoration activities under subsection (c)(2) and management strategies and adaptation strategies under subsection (c)(3), the Secretary shall emphasize the use of native plant species (including, to the maximum extent practicable, many native plant species) for sequestering covered greenhouse gas in each ecosystem.

(e) CONSULTATION.—

(1) IN GENERAL.—In conducting the assessment under subsection (b) and developing the methodology under subsection (f), the Secretary shall consult with—

(A) the Secretary of Energy;

(B) the Secretary of Agriculture;

(C) the Administrator of the Environmental Protection Agency;

(D) the Secretary of Commerce, acting through the Under Secretary for Oceans and Atmosphere; and

(E) heads of other relevant agencies.

(f) METHODOLOGY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a methodology for conducting the assessment.

(2) REQUIREMENTS.—The methodology developed under paragraph (1)—

(A) shall—

(i) determine the method for measuring, monitoring, and quantifying covered greenhouse gas emissions and reductions;

(ii) estimate the total capacity of each ecosystem to sequester carbon; and

(iii) estimate the capacity of each ecosystem to reduce emissions of covered greenhouse gases through management practices; and

(B) may employ economic and other systems models, analyses, and estimates, to be developed in consultation with the individuals described in subsection (e).

(g) ESTIMATE; REVIEW.—

(1) IN GENERAL.—Not later than 180 days after the date on which the assessment is completed, submit to the heads of applicable Federal agencies and the appropriate committees of Congress a report that describes the results of the assessment.

(2) DATA AND REPORT AVAILABILITY.—On completion of the assessment, the Secretary shall incorporate the results of the assessment into a web-accessible database for public use.

(i) AUTHORIZATION.—There is authorized to be appropriated to the Secretary out of this section $20,000,000 for the period of fiscal years 2008 through 2012.
Section 713. Carbon Dioxide Sequestration Inventory.

Section 534 of the Energy Policy Act of 2005 (42 U.S.C. 15910) is amended—
(1) by redesignating subsection (d) as subsection (e); and
(2) by inserting after subsection (c) the following:
"(d) Records and Inventory.—The Secretary of the Interior, acting through the Bureau of Land Management, shall maintain records on, and an inventory of, the quantity of carbon dioxide stored within Federal mineral leaseholds.''


(a) Report.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on a recommended framework for managing geological carbon sequestration activities on public land.
(b) Coverage.—The report required by subsection (a) shall include the following:
(1) Recommended criteria for identifying candidate geological sequestration sites in each of the following types of geological settings:
(A) Operating oil and gas fields.
(B) Depleted oil and gas fields.
(C) Unminable coal seams.
(D) Deep saline formations.
(E) Deep geological systems that may be used as engineered reservoirs to extract substantial quantities of heat from geothermal resources of low permeability or porosity.
(F) Deep geological systems containing basalt formations.
(G) Coalbeds being used for methane recovery.
(2) A proposed regulatory framework for the leasing of public land or an interest in public land for the long-term geological sequestration of carbon dioxide, which includes an assessment of options to ensure that the United States receives fair market value for the use of public land or an interest in public land for geological sequestration.
(3) A proposed procedure for ensuring that any State carbon sequestration activities on public land—
(A) provide for public review and comment from all interested persons; and
(B) are consistent with the availability of natural and cultural resources of the public land overlaying a geological sequestration site.
(4) A description of the status of Federal leasing of mineral estate parcels that may be issues related to the geological subsurface trespass of or caused by carbon dioxide stored in public land, including any relevant experience with oil and gas recovery using carbon dioxide on public land.
(5) Recommendations for additional legislation that may be required to ensure that public lands management and leasing laws are adequate to accommodate the long-term geological sequestration of carbon dioxide.
(6) An identification of the legal and regulatory framework to be applied to carbon dioxide sequestration on land in cases in which title to mineral resources is held by the United States but title to the surface estate is not held by the United States.
(B) Funds authorized for additional legislation that may be required to clarify the appropriate framework for issuing rights-of-way for carbon dioxide pipelines on public land.
(c) Consultation with Other Agencies.—In preparing the report under this section, the Secretary of the Interior shall coordinate with—
(1) the Administrator of the Environmental Protection Agency;
(2) the Secretary of Agriculture; and
(3) the heads of other appropriate agencies.
(d) Compliance with Safe Drinking Water Act.—The Secretary shall ensure that all recommendations developed under this section are in compliance with all Federal environmental laws, including the Safe Drinking Water Act (33 U.S.C. 1201 et seq.) and regulations under that Act.

Title VIII—Improved Management of Energy Policy

Subtitle A—Management Improvements

Section 801. National Media Campaign.

(a) In General.—The Secretary, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the "Secretary"), shall develop and conduct a national media campaign—
(1) to increase energy efficiency throughout the economy of the United States during the 10-year period beginning on the date of enactment of this Act;
(2) to promote the national security benefits associated with increased energy efficiency; and
(3) to decrease oil consumption in the United States during the 10-year period beginning on the date of enactment of this Act.
(b) Contents.—The Secretary shall carry out subsection (a) directly or through—
(1) competitively bid contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or
(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.
(c) Use of Funds.—In any year, amounts made available to carry out this section shall be used for—
(1) advertising costs, including—
(A) advertising, including the production of media announcements; and
(B) creative and talent costs;
(ii) testing and evaluation of advertising; and
(iii) evaluation of the effectiveness of the media campaign; and
(B) administrative costs, including operational and management expenses.
(2) Limitations.—In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).
(d) Reports.—The Secretary shall annually submit to Congress a report that describes—
(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—
(A) determinations concerning the rate of change of energy consumption, in both absolute and per capita terms; and
(B) an evaluation that enables consideration of whether the media campaign contributed to national economic expenses, including—
(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and fiscal accountability for the funding.
(e) Authorization of Appropriations.—
(1) In General.—There is authorized to be appropriated $5,000,000 for each of fiscal years 2008 through 2012.
(2) Decreased Oil Consumption.—The Secretary shall use not less than the amount that is made available under this section for each fiscal year to develop and conduct a national media campaign to decrease oil consumption in the United States over the next decade.

Section 802. Alaska Natural Gas Pipeline Administration.

Section 106 of the Alaska Natural Gas Pipeline Act (15 U.S.C. 7204) is amended by adding at the end the following:
"(B) Administration.—
"(1) Personnel Appointments.—
"(A) In General.—The Federal Coordinator may appoint and terminate such personnel as the Federal Coordinator determines to be appropriate.
"(B) Authority of Coordinator.—Personnel appointed by the Federal Coordinator under paragraph (1)(A) shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.
"(2) Compensation.—
"(A) In General.—Subject to subparagraph (B), personnel appointed by the Federal Coordinator under paragraph (1)(A) shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code (relating to classification of individuals in the competitive service).
"(B) Maximum Level of Compensation.—The rate of pay for personnel appointed by the Federal Coordinator under paragraph (1)(A) shall not exceed the maximum level of rate payable for level III of the Executive Schedule (5 U.S.C. 5314).
"(3) Allowances.—Section 5914 of title 5, United States Code, shall apply to personnel appointed by the Federal Coordinator under paragraph (1)(A).
"(4) Temporary Services.—
"(A) In General.—The Federal Coordinator may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code.
"(B) Maximum Level of Compensation.—The level of compensation of an individual employed on a temporary or intermittent basis under paragraph (1) shall not exceed the maximum level of rate payable for level III of the Executive Schedule (5 U.S.C. 5314).
"(C) Fees, Charges, and Commissions.—
"(A) In General.—With the duties of the Federal Coordinator, as described in this Act, the Federal Coordinator shall have similar authority to establish, change, and abolish reasonable filing and service fees, charges, and commissions, require deposits of payments, and provide refunds as provided to the Secretary of the Interior in section 3303(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734).
"(B) Authority of Secretary of the Interior.—Subparagraph (A) shall not affect the authority of the Secretary of the Interior to establish, change, and abolish reasonable filing and service fees, charges, and commissions, require deposits of payments, and provide refunds under section 3303(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734).
SEC. 804. COORDINATION OF PLANNED REFINERY OUTAGES.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ‘‘Administrator’’ means the Administrator of the Energy Information Administration.

(b) PLANNED REFINERY OUTAGE.—(A) In general.—The term ‘‘planned refinery outage’’ means a planned event that is designed by the refiner to be brought into effect at some time in the future, and that is expected to affect refinery operations, such as service, repair, modification, or 24-hour or longer shutdown.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator amounts necessary to carry out this section.

SEC. 805. ASSESSMENT OF RESOURCES.

(a) 5-YEAR PLAN.—

(1) ESTABLISHMENT.—The Administrator of the Energy Information Administration (referred to in this section as the ‘‘Administrator’’) shall establish a 5-year plan to enhance the quality and scope of the data collected necessary to ensure the scope, accuracy, and timeliness of the information needed for efficient functioning of energy markets and related financial operations.

(2) IMPLEMENTATION.—In carrying out the plan under paragraph (1), the Administrator shall pay particular attention to—

(A) data sets terminated because of budget constraints;

(B) data on demand response;

(C) timely data sets of State-level information; and

(D) improvements in the area of oil and gas data;

(E) improvements in data on solid byproducts from coal-based energy-producing facilities; and

(F) the ability to meet applicable deadlines under Federal law (including regulations) to provide data required by Congress.

(b) SUBMISSION TO CONGRESS.—The Administrator shall submit to Congress the plan established under paragraph (a), including a description of any improvements needed to enhance the ability of the Administrator to collect and process energy information in a manner consistent with the needs of energy markets.

(c) GUIDELINES.—

(1) IN GENERAL.—The Administrator shall—

(A) establish guidelines to ensure the quality, comparability, and scope of State energy data, including data on energy production and consumption by product and sector and renewable and alternative sources, required to provide a comprehensive, accurate energy profile at the State level;

(B) share company-level data collected at the State level with each State involved, in a manner consistent with the legal authorities and confidentiality protections and stated uses in effect at the time the data were collected, subject to the condition that the State shall agree to reasonable requirements for the use of the data, as the Administrator may require;

(C) assess any existing gaps in data obtained and compiled by the Energy Information Administration; and

(D) evaluate the most cost-effective ways to address any data quality and quantity issues in conjunction with State officials.

(2) CONSULTATION.—The Administrator shall consult with State officials and the Federal Energy Regulatory Commission on a regular basis in—

(A) establishing guidelines and determining the scope of State-level data under paragraph (1); and

(B) exploring ways to address data needs and uses.

(d) ASSESSMENT OF STATE DATA NEEDS.—

Not later than 1 year after the date of enactment of this Act, the Administrator shall—

(1) to prohibit a refinery operator from conducting a planned refinery outage; or

(2) to require a refinery operator to continue to operate the refinery.

(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts made available to the Administrator, there are authorized to be appropriated to the Administrator, there are authorized to be appropriated to the Administrator—

(1) $20,000,000 for fiscal year 2013; and

(2) $20,000,000 for fiscal year 2014.

SEC. 806. SENSE OF CONGRESS RELATING TO THE USE OF RENEWABLE RESOURCES TO GENERATE ENERGY.

(a) FINDINGS.—Congress finds that—

(1) the United States has a quantity of renewable energy resources that is sufficient to supply a significant portion of the energy needs of the United States;
(2) the agricultural, forestry, and working land of the United States can help ensure a sustainable domestic energy system;

(3) accelerated development and use of renewable energy technologies provide numerous benefits to the United States, including improved national security, improved balance of payments, healthier rural economies, improved environmental quality, and abundant, reliable, and affordable energy for all citizens of the United States;

(4) the production of transportation fuels from renewable energy would help the United States meet rapidly growing domestic and global energy demands, reduce the dependence of the United States on energy imports, protect regions of the world that are politically unstable, stabilize the cost and availability of energy, and safeguard the economy and security of the United States;

(5) increased energy production from domestic renewable resources would attract substantial new investments in energy infrastructure, create economic growth, develop new jobs for the citizens of the United States, and increase the income for farm, ranch, and forestry jobs in the rural regions of the United States;

(6) increased use of renewable energy is practical and can be cost effective with the implementation of supportive policies and proper incentives to stimulate markets and infrastructure; and

(7) public policies aimed at enhancing renewable energy production and accelerating technological improvements will further reduce energy costs over time and increase market demand.

(b) Sense of Congress.—It is the sense of Congress that it is the goal of the United States to:

(1) assure that the production of energy from renewable resources not less than 25 percent of the total energy consumed in the United States; and

(2) continue to produce safe, abundant, and affordable food, feed, and fiber.

SEC. 807. GEOTHERMAL ASSESSMENT, EXPLO- RATION INFORMATION, AND PRIORITY ACTIVITIES.

(a) In General.—Not later than January 1, 2008, the Secretary of the Interior, acting through the Director of the United States Geological Survey—

(1) complete a comprehensive nationwide geothermal resource assessment that examines the full range of geothermal resources in the United States; and

(2) submit to the Committee on Natural Resources of the House of Representa- tives and the Committee on Energy and Natural Resources of the Senate a report describing the results of the assessment.

(b) Periodic Updates.—At least once every 10 years, the Secretary shall update the national assessment required under this section to support public and private sector decisionmaking.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of the Interior to carry out this section—

(1) $15,000,000 for each of fiscal years 2008 through 2012; and

(2) such sums as are necessary for each of fiscal years 2013 through 2022.

Subtitle B—Prohibitions on Market Manipulation and False Information

SEC. 811. PROHIBITION ON MARKET MANIPULA- TION.

It is unlawful for any person, directly or indirectly, to use or employ, in connection with the purchase or sale of crude oil gasoline or petroleum distillates at wholesale, any manipulative or deceptive device or con- trivance, in contravention of such rules and regulations as the Federal Trade Commission may prescribe as necessary or appropriate in the public interest or for the protection of consumers against manipulation and false information.

SEC. 812. PROHIBITION ON FALSE INFORMATION.

It is unlawful for any person to report information related to the wholesale price of crude oil gasoline or petroleum distillates to a Federal department or agency if—

(1) the person knew, or reasonably should have known, the information to be false or misleading;

(2) the information was required by law to be reported; and

(3) the person intended the false or misleading data to be transmitted, or data compiled by the department or agency for statistical or analytical purposes with respect to the market for crude oil gasoline, or petroleum distillates.

SEC. 813. ENFORCEMENT BY THE FEDERAL TRADE COMMISSION.

(a) Enforcement.—This subtitle shall be enforced by the Federal Trade Commission in the same manner, by the same means, and with the same jurisdiction as though all applicable terms of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this subtitle.

(b) Violation is Treated as Unfair or Deceptive Act or Practice.—A violation of any provision of this subtitle shall be treated as an unfair or deceptive act or practice proscribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

SEC. 814. PENALTIES.

(a) Civil Penalty.—In addition to any penalty applicable under the Federal Trade Commission Act (15 U.S.C. 41 et seq.), any supplier that violates section 811 or 812 shall be punishable by a civil penalty of not more than $1,000,000.

(b) Method.—The penalties provided by subsection (a) shall be obtained in the same manner as civil penalties imposed under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(c) Multiplied Offenses; Mitigating Factors.—In assessing the penalty provided by subsection (a)—

(1) each day of a continuing violation shall be considered a separate violation; and

(2) the court shall take into consideration, among other factors—

(A) the seriousness of the violation; and

(B) the efforts of the person committing the violation to remedy the harm caused by the violation in a timely manner.

SEC. 815. EFFECT ON OTHER LAWS.

(a) Other Authority of the Commission.—Nothing in this subtitle limits or affects the authority of the Federal Trade Commission to bring an enforcement action or take any other measure under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) or any other provision of law.

(b) Antitrust Law.—Nothing in this subtitle shall be deemed to impair, or supersede the operation of any of the antitrust laws. For purposes of this subsection, the term “antitrust laws” shall have the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12), except that it includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section applies to unfair methods of competition.

(c) State Law.—Nothing in this subtitle shall preempt any State law.

TITLE IX—INTERNATIONAL ENERGY PROGRAMS

SEC. 901. DEFINITIONS.

In this title—

(1) APPROPRIATE CONGRESSIONAL COMMIT- TEES.—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs and the Committee on Energy and Commerce of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Energy and Natural Re- sources, the Committee on Environment and Public Works of the Senate, and the Com- mittee on Commerce, Science, and Transpor- tation.

(2) CLEAN AND EFFICIENT ENERGY TECH- NOLOGY.—The term “clean and efficient energy technology” means an energy supply or energy technology that, compared to a simi- lar technology already in widespread com- mercial use in a recipient country, will—

(A) reduce emissions of greenhouse gases; or

(B)(i) increase efficiency of energy produc- tion; or

(ii) decrease intensity of energy usage.

(Subtitle A—Assistance to Promote Clean and Efficient Energy Technologies in Foreign Countries

SEC. 911. UNITED STATES ASSISTANCE FOR DE- VELOPING COUNTRIES.

(a) Assistance Authorized.—The Admin-istrator of the United States Agency for Interna- tional Development shall support policies and programs in developing countries that promote clean and efficient energy technologies—

(1) to produce the necessary market condi- tions for the private sector delivery of energy and environmental management serv- ices; and

(2) to create an environment that is condu- cive to accepting clean and efficient energy technologies that support the overall pur- pose of reducing greenhouse gas emissions, including—

(A) improving policy, legal, and regulatory frameworks;

(B) increasing institutional abilities to provide energy and environmental manage- ment services; and

(C) increasing public awareness and par- ticipation in the decision-making of deliv- ering energy and environmental manage- ment services; and

(3) to promote the use of American-made clean and efficient energy technologies, products, and energy and environmental management services.

(b) Report.—The Administrator of the United States Agency for International De- velopment shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

SEC. 912. UNITED STATES EXPORTS AND OUT- REACH PROGRAMS FOR INDIA, CHINA, AND OTHER COUNTRIES.

(a) Assistance Authorized.—The Sec- retary of Commerce shall direct the United States Foreign Commercial Service to expand or create a corps of the Foreign Commercial Service officers to promote United States exports in clean and efficient energy technologies and build the capacity of gov- ernment officials in India, China, and any other country the Secretary of Commerce determines appropriate, to become more fa- miliar with the available technologies—
(1) by assigning or training Foreign Commercial Service attaches, who have expertise in clean and efficient energy technologies from the United States, to embark on business development and outreach efforts to such countries; and

(2) by deploying the attaches described in paragraph (1) to educate provincial, state, and local government officials in such countries on the variety of United States-based technologies in clean and efficient energy technologies for the purposes of promoting United States exports, and reducing global greenhouse gas emissions.

(b) REPORT.—The Secretary of Commerce shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) AUTHORIZATION.—To carry out this section, there are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary for each of the fiscal years 2008 through 2012.

SEC. 913. UNITED STATES TRADE MISSIONS TO ENCOURAGE PRIVATE SECTOR TRADE AND INVESTMENT.

(a) Task Force.—The Secretary of Commerce shall direct the International Trade Administration to expand or create trade missions to and from the United States to encourage private sector trade and investment in clean and efficient energy technologies—

(1) by organizing and facilitating trade missions to foreign countries and by matching United States private sector companies with opportunities in foreign markets so that clean and efficient energy technologies can help to combat increases in global greenhouse gas emissions; and

(2) by creating reverse trade missions in which the Department of Commerce facilitates the participation of foreign private and public sector organizations with private sector companies in the United States for the purpose of showcasing clean and efficient energy technologies in use or in development that could be exported to other countries.

(b) REPORT.—The Secretary of Commerce shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary for each of the fiscal years 2008 through 2012.

SEC. 914. ACTIONS BY OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) SENSE.—It is the sense of Congress that the Overseas Private Investment Corporation should promote greater investment in clean and efficient energy technologies in—

(1) proactively reaching out to United States companies that are interested in investing in clean and efficient energy technologies in countries that are significant contributors to global greenhouse gas emissions;

(2) giving preferential treatment to the evaluation and awarding of projects that involve the investment or utilization of clean and efficient energy technologies; and

(3) providing greater flexibility in supporting projects that involve the investment or utilization of clean and efficient energy technologies, including financing, insurance, and other assistance.

(b) REPORT.—The Overseas Private Investment Corporation shall include in its annual report required under section 240A of the Foreign Assistance Act of 1961 (22 U.S.C. 2201a) a description of the activities carried out to implement this section; or

(2) if the Corporation did not carry out any activities to implement this section, an explanation of the reasons therefor.

SEC. 915. ACTIONS BY UNITED STATES TRADE AND INVESTMENT.

(a) Task Force.—The Secretary of Commerce and Development Agency shall establish or submit policies that—

(1) proactively seek opportunities to fund projects that involve the utilization of clean and efficient energy technologies, including in trade capacity building and capital investment projects;

(2) where appropriate, advance the utilization of clean and efficient energy technologies, particularly in countries that have the potential for significant reduction in greenhouse gas emissions; and

(3) recruit and retain individuals with appropriate expertise or experience in clean, renewable, and efficient energy technologies to identify and evaluate opportunities for projects that involve clean and efficient energy technologies.

(b) REPORT.—The Secretary of Commerce shall include in the annual report on the activities of the Trade and Development Agency required under section 661(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(d)) a description of the activities carried out to implement this section.

SEC. 916. DEPLOYMENT OF INTERNATIONAL CLEAN AND EFFICIENT ENERGY TECHNOLOGIES AND INVESTMENT IN GLOBAL ENERGY MARKETS.

(a) Task Force.—

(1) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this Act, the President shall establish a Task Force on International Cooperation for Clean and Efficient Energy Technologies (in this section referred to as the “Task Force”).

(2) COMPOSITION.—The Task Force shall be composed of representatives appointed by the head of the respective Federal department or agency as follows:

(A) the Council on Environmental Quality;

(B) the Department of Energy;

(C) the Department of Commerce;

(D) the Department of Treasury;

(E) the Department of State;

(F) the Environmental Protection Agency;

(G) the United States Agency for International Development;

(H) the Export-Import Bank of the United States;

(I) the Overseas Private Investment Corporation;

(J) the Trade and Development Agency;

(K) the Small Business Administration;

(L) the Office of the United States Trade Representative;

(M) other Federal departments and agencies, as determined by the President.

(3) DUTIES.—The President shall designate a Chairperson or Co-Chairpersons of the Task Force.

(b) REPORT.—The Task Force—

(1) shall develop and submit to the President and the appropriate congressional committees a strategy to—

(A) support the development and implementation of programs, policies, and initiatives in developing countries to promote the adoption and deployment of clean and efficient energy technologies, with an emphasis on those developing countries that are expected to experience the most significant growth in energy production and use over the next 20 years;

(B) open and expand clean and efficient energy technology markets and facilitate the export of clean and efficient energy technologies to developing countries, in a manner consistent with United States obligations as member of the World Trade Organization;

(C) integrate into the foreign policy objectives of the United States the promotion of—

(i) the deployment of clean and efficient energy technologies and the reduction of greenhouse gas emissions in developing countries; and

(ii) the export of clean and efficient energy technologies; and

(D) develop financial mechanisms and instruments, including securities that mitigate the political and foreign exchange risks of uses that are consistent with the foreign policy objectives of the United States by combining the private sector market and government endorsements, that—

(i) are cost-effective; and

(ii) facilitate private sector investment in clean and efficient energy technology projects in developing countries.

(2) UPDATES.—Not later than 3 years after the date of submission of the strategy under paragraph (1), and every 3 years thereafter, the Task Force shall update the strategy in...
variety of cooperative scientific research and new energy sources; the interests of the United States to develop renewable energy and infrastructure signed an agreement in accordance with the requirements of sections 988 and 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352, 16353) to support research, development, demonstration and deployment of renewable energy or energy efficiency.

(2) TYPES OF ENERGY.—In carrying out paragraph (1), the Secretary may make grants to promote:

(A) solar energy;
(B) biomass energy;
(C) energy efficiency;
(D) wind energy;
(E) geothermal energy;
(F) wave and tidal energy; and
(G) advanced battery technology.

(3) RELATIONSHIP TO BOARD.—To be eligible to receive a grant under this subsection, an applicant shall meet the following requirements:

(a) the applicant is a for-profit business entity, academic institution, National Laboratory (as defined in section 103 of title 5, United States Code), a government corporation, as defined in section 922(b), or nonprofit entity in the United States;

(b) the applicant shall be a recognized leader in clean and efficient energy technologies and shall be a government corporation, as defined in section 922(b), or nonprofit entity in the United States; and

(c) the applicant shall be a joint venture between:

(i) a for-profit business entity, academic institution, National Laboratory (as defined in section 103 of title 5, United States Code); or

(ii) the Government of Israel.

(4) APPLICATIONS.—To be eligible to receive a grant under this subsection, an applicant shall submit to the Secretary an application for the grant in accordance with procedures established by the Secretary, in consultation with the advisory board established under paragraph (5).

(5) ADVISORY BOARD.—

(A) ESTABLISHMENT.—The Secretary shall establish an advisory board to:

(i) monitor the method by which grants are awarded under this subsection; and

(ii) provide to the Secretary periodic performance reviews of actions taken to carry out the provisions of this section.

(B) COMPOSITION.—The advisory board established under subparagraph (A) shall:

(i) be composed of 3 members, to be appointed by the Secretary, of whom

(1) shall be a representative of the Federal Government;

(2) shall be selected from a list of nominees provided by the United States-Israel Bi-national Science Foundation; and

(3) shall be selected from a list of nominees provided by the United States-Israel Bi-national Industrial Research and Development Foundation.

(C) CONTRIBUTED FUNDS.—Notwithstanding section 3302 of title 31, United States Code, the following contributed funds shall be available to the Secretary:

(A) without further appropriation; and

(B) without fiscal year limitation.

(7) REPORT.—Not later than 180 days after the date of completion of a project for which a grant is awarded under this subsection, the grant recipient shall submit to the Secretary a report that contains:

(A) a description of the method by which the recipient used the grant funds; and

(B) an evaluation of the level of success of each project funded by the grant.

(8) CLASSIFICATION.—Grants shall be awarded under this subsection only for projects that are considered to be unclassified by both the United States and Israel.

(b) GRANT PROGRAM.—

(1) ESTABLISHMENT.—In implementing the agreement entitled the “Agreement between the Departments of the United States of America and the Ministry of Energy and Infrastructure of Israel Concerning Energy Cooperation”, dated February 1, 1996, the Secretary shall establish a grant program in accordance with the requirements of sections 988 and 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352, 16353) to support research, development, demonstration and deployment of renewable energy or energy efficiency.

(2) TYPES OF ENERGY.—In carrying out paragraph (1), the Secretary may make grants to promote:

(A) solar energy;
(B) biomass energy;
(C) energy efficiency;
(D) wind energy;
(E) geothermal energy;
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(b) the applicant shall be a recognized leader in clean and efficient energy technologies and shall be a government corporation, as defined in section 922(b), or nonprofit entity in the United States; and

(c) the applicant shall be a joint venture between:

(i) a for-profit business entity, academic institution, National Laboratory (as defined in section 103 of title 5, United States Code); or

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(1) shall be a representative of the Federal Government;

(2) shall be selected from a list of nominees provided by the United States-Israel Bi-national Science Foundation; and

(3) shall be selected from a list of nominees provided by the United States-Israel Bi-national Industrial Research and Development Foundation.

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(7) REPORT.—Not later than 180 days after the date of completion of a project for which a grant is awarded under this subsection, the grant recipient shall submit to the Secretary a report that contains:

(A) a description of the method by which the recipient used the grant funds; and

(B) an evaluation of the level of success of each project funded by the grant.
DUTIES.—The Board shall perform the functions specified to be carried out by the Board in this subtitle and may prescribe, amend, and repeal bylaws, rules, regulations, and policies governing the business and affairs in which the business of the Foundation may be conducted and in which the powers granted to it by law may be exercised.

MEMBERSHIP.—The Board shall consist of—

(A) the Secretary of State (or the Secretary’s designee), the Secretary of Energy (or the Energy Secretary’s designee), and the Administrator of the United States Agency for International Development (or the Administrator’s designee); and

(B) four other individuals with relevant experience in matters relating to energy security (such as individuals who represent institutions of higher education, business organizations, foreign policy organizations, or other relevant organizations) who shall be appointed by the President, by and with the advice and consent of the Senate, of whom—

(i) one individual shall be appointed from among a list of individuals submitted by the majority leader of the House of Representatives;

(ii) one individual shall be appointed from among a list of individuals submitted by the minority leader of the House of Representatives;

(iii) one individual shall be appointed from among a list of individuals submitted by the majority leader of the Senate; and

(iv) one individual shall be appointed from among a list of individuals submitted by the minority leader of the Senate.

Chief Executive Officer.—The Chief Executive Officer of the Foundation shall serve as a nonvoting, ex officio member of the Board.

AGENCIES.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—Each member of the Board described in paragraph (3)(A) shall serve for a term that is concurrent with the term of service of the individual’s position as an officer within the other Federal department or agency.

(B) OTHER MEMBERS.—Each member of the Board described in paragraph (3)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 3 years.

(C) VACANCIES.—A vacancy in the Board shall be filled in the manner in which the original member was appointed.

(D) ACTING MEMBERS.—An vacancy in the Board may be filled with an appointment of an acting member by the Chairperson of the Board for a period which the Board shall designate.

Chairperson.—There shall be a Chairperson of the Board. The Secretary of State (or the Secretary’s designee) shall serve as the Chairperson.

Quorum.—A majority of the members of the Board described in paragraph (3)(A) shall constitute a quorum, which, except with respect to a meeting of the Board during the 135-day period beginning on the date of the enactment of this Act, shall include at least 1 member of the Board described in paragraph (3)(B).

Meetings.—The Board shall meet at the call of the Chairperson, who shall call a meeting no less than once a year.

Compensation.—

(A) OFFICERS OF THE FEDERAL GOVERNMENT.—

(i) In general.—A member of the Board described in paragraph (3)(A) may not receive additional pay, allowances, or benefits by reason of service on the Board.

(ii) Travel expenses.—Each such member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(B) OTHER MEMBERS.—

(i) In general.—Except as provided in clause (ii), a member of the Board described in paragraph (3)(B)—

(I) shall be compensated out of funds made available for the purposes of this subtitle at the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code (excluding any per diem paid for travel time) during which the member is engaged in the actual performance of duties as a member of the Board;

(II) while away from the member’s home or regular place of business on necessary travel in the actual performance of duties as a member of the Board, shall be paid per diem, travel, and transportation expenses in the same manner as is provided under subchapter I of chapter 57 of title 5, United States Code.

(ii) Limitation.—A member of the Board may not be paid compensation under clause (I)(II) for more than 90 days in any calendar year.

POWERS.—

(a) POWERS.—The Foundation—

(1) shall have perpetual succession unless dissolved by a law enacted after the date of the enactment of this Act;

(2) may adopt, alter, and use a seal, which shall be judicially noticed;

(3) may make and perform such contracts, grants, and other agreements with any person or government however designated and wherever situated, as may be necessary for carrying out the functions of the Foundation;

(4) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation;

(5) may lease, purchase, or otherwise acquire, improve, and use such real property wherever situated, as may be necessary for carrying out the functions of the Foundation;

(6) may accept money, funds, services, or property (real, personal, or mixed), tangible or intangible, made available by gift, bequest grant, or otherwise for the purpose of carrying out the provisions of this title from domestic or foreign private individuals, charities, nongovernmental organizations, corporations, or governments;

(7) may use the United States mails in the same manner and on the same conditions as executive departments;

(8) may contract with individuals for personal services, who shall not be considered Federal employees for any provision of law administered by the Office of Personnel Management;

(9) may hire or obtain passenger motor vehicles; and

(10) may have such other powers as may be necessary and incident to carrying out this subtitle.

(b) PRINCIPAL OFFICE.—The Foundation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

(c) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—

(1) IN GENERAL.—The Foundation shall be subject to chapter 91 of title 31, United States Code, except that the Foundation shall not be authorized to issue obligations or offer obligations to the public.

(2) CONFORMING AMENDMENT.—Section 910(3) of title 31, United States Code, is amended by adding at the end the following:—

“(R) the International Clean Energy Foundation.”;

Inspection General.—The Inspector General of the Department of the State shall serve as Inspector General of the Foundation, and, in acting in such capacity, may conduct reviews and investigations of all aspects of the operations and activities of the Foundation.
(2) AUTHORITY OF THE BOARD.—In carrying out the responsibilities under this subsection, the Inspector General shall report to and be under the general supervision of the Board.

(3) REIMBURSEMENT AND AUTHORIZATION OF SERVICES.—

(A) REIMBURSEMENT.—The Foundation shall authorize the reimbursement of all expenses incurred by the Inspector General in connection with the Inspector General’s responsibilities under this subsection.

(B) AUTHORIZATION OF SERVICES.—Of the amount authorized to be appropriated under section 927(a) for a fiscal year, up to $500,000 is authorized to be made available to the Inspector General of the Department of State to conduct reviews, investigations, and inspections of operations and activities of the Foundation.

SEC. 926. GENERAL PERSONNEL AUTHORITIES.

(a) DETAIL OF PERSONNEL.—Upon request of the Chief Executive Officer, the head of an agency may detail any employee of such agency to the Foundation on a reimbursable basis. Any employee so detailed remains, for the purpose of preserving such employee’s allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(b) REEMPLOYMENT RIGHTS.—

(1) IN GENERAL.—An employee of an agency who is detailed to the Foundation, is entitled to reemploy on return thereof in such employee’s former position or a position of like seniority, status, and pay in such agency, if such employee—

(A) is separated from the Foundation for any reason, other than misconduct, neglect of duty, or disability; and

(B) applies for reemployment not later than 90 days after the date of separation from the Foundation.

(2) SPECIFIC RIGHTS.—An employee who satisfies paragraph (1) is entitled to be reemployed (in accordance with such paragraph) within 30 days after applying for reemployment and, on reemployment, is entitled to at least the rate of basic pay to which such employee would have been entitled had such employee never transferred.

(c) HIRING AUTHORITY.—Of persons employed by the Foundation, no more than 50 person years, compensated, or removed without regard to the civil service laws and regulations.

(d) BASIC PAY.—The Chief Executive Officer may fix the rate of basic pay of employees of the Foundation without regard to the provisions of chapter 51 of title 5, United States Code (relating to the classification of positions), subchapter III of chapter 53 of such title (relating to General Schedule pay rates), except that no employee of the Foundation may receive a rate of basic pay that exceeds level IV of the Executive Schedule under section 5315 of such title.

(e) DEFINITIONS.—In this section—

(1) the term “agency” means an executive agency, as defined by section 105 of title 5, United States Code; and

(2) the term “detail” means the assignment or loan of an employee, without a change of position, from the agency by which such employee is employed to the Foundation.

SEC. 927. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—To carry out this subtitle, there are authorized to be appropriated $20,000,000 for each of the fiscal years 2009 through 2013.

(b) USE OF FUNDS.—

(1) IN GENERAL.—The Foundation may allocate or transfer to any agency of the United States Government any of the funds available for carrying out this subtitle. Such funds shall be available for obligation and expenditure for the purposes for which the funds are authorized and for all expenses incurred by the Inspector General for the purpose of preserving such employee’s allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(2) NOTIFICATION.—The Foundation shall notify the appropriate congressional committees not less than 15 days prior to an allocation or transfer of funds pursuant to paragraph (1).

Subtitle C—Miscellaneous Provisions

SEC. 931. ENERGY DIPLOMACY AND SECURITY WITHIN THE DEPARTMENT OF STATE.

(a) STATE DEPARTMENT COORDINATOR FOR INTERNATIONAL ENERGY AFFAIRS.—

(1) IN GENERAL.—The Secretary of State shall ensure that energy security is integrated into the core mission of the Department of State.

(2) COORDINATOR FOR INTERNATIONAL ENERGY AFFAIRS.—There is established within the Office of the Secretary of State a Coordinator for International Energy Affairs, who shall be responsible for—

(A) representing the Secretary of State in interagency efforts to develop the international energy policy of the United States;

(B) ensuring that analyses of the national security implications of global energy and environmental developments are reflected in the decision making process within the Department of State;

(C) incorporating energy security priorities into the activities of the Department of State;

(D) coordinating energy activities of the Department of State with relevant Federal agencies; and

(E) coordinating energy security and other relevant functions within the Department of State currently undertaken by offices within—

(i) the Bureau of Economic, Energy and Business Affairs;

(ii) the Bureau of Oceans and International Environmental and Scientific Affairs; and

(iii) other offices within the Department of State.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(b) ENERGY EXPERTS IN KEY EMBASSIES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that includes—

(1) a description of the Department of State personnel who are dedicated to energy security and are stationed at embassies and consulates in countries that are major energy-producing countries as identified by the Secretary in accordance with section 927(b); and

(2) an analysis of the need for Federal energy specialist personnel in United States embassies and other United States diplomatic missions.

(c) RECOMMENDATIONS.—There shall be incorporated into the report required under paragraph (1) recommendations for increasing energy expertise within United States embassies and consulates in countries that are major energy-producing countries as identified by the Secretary in accordance with section 927(b).
SEC. 934. CONVENTION ON SUPPLEMENTARY COMPENSATION FOR NUCLEAR DAMAGE: CONTINGENT COST ALLOCATION.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) (commonly known as the "Price-Anderson Act")—

(i) provides a predictable legal framework necessary for nuclear projects; and

(ii) ensures prompt and equitable compensation in the event of a nuclear incident in the United States;

(B) the Price-Anderson Act, in effect, provides operators of nuclear powerplants with insurance for damage arising out of a nuclear incident and funds the insurance primarily through the assessment of a retrospective premium from each operator after the occurrence of a nuclear incident; and

(C) the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997, will augment the quantity of assured funds available for victims in a wider variety of nuclear incidents at foreign installations; or

D) the Convention benefits United States nuclear suppliers that face potentially unlimited liability for nuclear incidents that are not covered by the Price-Anderson Act by replacing a potentially open-ended liability with a predictable liability regime that, in effect, provides nuclear suppliers with insurance for damage arising out of such an incident;

(E) the Convention also benefits United States nuclear facility operators that may be publicly liable for a Price-Anderson incident by providing an additional early source of funds to compensate damage arising out of the Price-Anderson incident;

(F) the combined operation of the Convention, the Price-Anderson Act, and this section will ensure that the quantity of insured funds available for victims in a wider variety of nuclear incidents while reducing the potential liability of United States suppliers with respect to foreign potential costs to United States operators;

(G) the cost of those benefits is the obligation of the United States to contribute to the supplementary compensation fund established by the Convention;

(H) any such contribution should be funded in a manner that does not—

(i) upset settled expectations based on the liability regime established under the Price-Anderson Act; or

(ii) shift Federal taxpayer liability risks to nuclear incidents at foreign installations;

(I) with respect to a Price-Anderson incident, funds already available under the Price-Anderson Act would be used;

(J) with respect to a nuclear incident outside the United States not covered by the Price-Anderson Act, a retrospective premium may be imposed on nuclear suppliers relieved from potential liability for which insurance is not available.

(2) PURPOSE.—The purpose of this section is to allocate and prorate contingent costs associated with participation by the United States in the international nuclear liability compensation system established by the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997—

(A) with respect to a Price-Anderson incident, by using funds made available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) to cover the contingent costs of a nuclear incident that neither increases the burdens nor decreases the benefits under section 170 of that Act; and

(B) with respect to a covered incident outside the United States that is not a Price-Anderson incident, by allocating the contingent costs equitably, on the basis of risk, among the class of nuclear suppliers relieved by the Convention of potential liability resulting from any covered incident outside the United States.

(b) DEFINITIONS.—In this section—

(1) CONVENTION.—The term "Convention" means the Treaty of Tlatelolco.

(2) CONTINGENT COST.—The term "contingent cost" means the cost to the United States in the event of a covered incident of the amount of which is equal to the amount of funds the United States is obligated to make available under paragraph (1)(b) of Article III of the Convention.

(3) CONVENTION.—The term "Convention" means the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997.

(4) COVERED INCIDENT.—The term "covered incident" means a nuclear incident the occurrence of which results in a request for funds pursuant to Article VII of the Convention.

(5) COVERED INSTALLATION.—The term "covered installation" means a nuclear installation at which the occurrence of a nuclear incident could result in a request for funds under Article VII of the Convention.

(6) COVERED PERSON.—

(A) IN GENERAL.—The term "covered person" means—

(i) a United States person; and

(ii) an individual or entity (including an agency or instrumentality of a foreign country) that—

(I) is located in the United States; or

(II) carries out an activity in the United States.

(B) EXCLUSIONS.—The term "covered person" does not include—

(i) the United States; or

(ii) any agency or instrumentality of the United States.

(7) NUCLEAR SUPPLIER.—The term "nuclear supplier" means a covered person (or a successor in interest of that covered person) that—

(A) supplies facilities, equipment, fuel, services, or technology pertaining to the design, construction, operation, or decommissioning of a nuclear installation; or

(B) transports nuclear materials that could result in a covered incident.

(8) PRICE-ANDERSON INCIDENT.—The term "Price-Anderson incident" means a covered incident for which section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) would make funds available to compensate for public liability (as defined in section 11 of that Act (42 U.S.C. 2214)).

(9) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(10) UNITED STATES.—

(A) IN GENERAL.—The term "United States" has the meaning given the term in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2214).

(B) INCLUSIONS.—The term "United States" includes—

(i) the Commonwealth of Puerto Rico; and

(ii) any other territory or possession of the United States;

(iii) the Canal Zone; and

(iv) the waters of the United States territories, possessions, or Federal dependencies, and any associated territories, possessions, or Federal dependencies.

(c) CLASSIFIED AND UNCLASSIFIED FORM.—Each national energy security strategy report shall be submitted to Congress in—

(1) a classified form; and

(2) an unclassified form that meets all of the requirements of the Atomic Energy Act (42 U.S.C. 2014).

(d) USE OF PRICE-ANDERSON FUNDS.—

(1) IN GENERAL.—Funds made available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) shall be used to cover the contingent cost resulting from any Price-Anderson incident.

(2) EFFECT.—The use of funds pursuant to paragraph (1) shall not reduce the limitation on public liability established under section 170 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)).

(e) EFFECT ON AMOUNT OF PUBLIC LIABILITY.

(1) IN GENERAL.—Funds made available to the United States under Article VII of the Convention in respect with a Price-Anderson incident shall be used to cover the contingent cost resulting from the Price-Anderson incident.

(2) AMOUNT.—The amount of public liability allowable under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) relating to a Price-Anderson incident under paragraph (1) shall be increased by an amount equal to the difference between—

(A) the amount of funds made available for the Price-Anderson incident under Article VII of the Convention; and

(B) the amount of funds made under subsection (c) to cover the contingent cost resulting from the Price-Anderson incident.

(f) RETROSPECTIVE RISK POOLING PROGRAM.

(1) IN GENERAL.—Except as provided under paragraph (2), each nuclear supplier shall participate in a retrospective risk pooling program in accordance with this section to cover the contingent cost resulting from a covered incident outside the United States that is not a Price-Anderson incident.

(2) DEFERRED PAYMENT.

(A) IN GENERAL.—The obligation of a nuclear supplier to participate in the retrospective risk pooling program shall be deferred for a period of 5 years after the date of enactment of this Act.

(B) USE OF FUNDS.—The amount of a deferred payment of a nuclear supplier under subparagraph (A) shall be based on the risk-informed assessment formula determined under subparagraph (C).

(C) RISK-INFORMED ASSESSMENT FORMULA.—

(i) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, and every 5 years thereafter, the Secretary shall, by regulation, determine the risk-informed assessment formula for the allocation among nuclear suppliers of the contingent cost resulting from a covered incident that is not a Price-Anderson incident, taking into account risk factors such as—

(I) the nature and intended purpose of the goods and services supplied by each nuclear supplier to each covered installation outside the United States;

(II) the quantity of the goods and services supplied by each nuclear supplier to each covered installation outside the United States; and

(III) the hazards associated with the supplied goods and services of the goods and services fail to achieve the intended purposes;
(IV) the hazards associated with the covered installation outside the United States to which the goods and services are supplied; (V) the legal, regulatory, and financial infrastructure of the country where the covered installation is located; (VII) the nuclear incident for which funds would be available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210); (VII) the hazards associated with particular formulas for calculating the deferred payment due from a nuclear supplier; and (VIII) the formula for calculating the deferred payment due from a nuclear supplier.

(ii) Factors for Determination.—In determining the formula, the Secretary may—

(I) exclude—

(aa) goods and services with negligible risk;

(bb) classes of goods and services not intended specifically for use in a nuclear installation;

(cc) a nuclear supplier with a de minimis share of the contingent cost; and

(dd) no longer in existence for which there is no identifiable successor; and

(II) establish the period on which the risk assessment is based.

(iii) Application.—In applying the formula, the Secretary shall not consider any covered installation or transportation for which funds would be available under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210).

(iv) Report.—Not later than 5 years after the date of enactment of this Act, and every 5 years thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Commerce and Consumer Protection of the House of Representatives a report on whether there is a need for continuation or amendment of this section, taking into account the effects of the implementation of this section on the United States nuclear industry and suppliers.

(d) Reporting.—

(1) Collection of Information.—

(A) In General.—The Secretary may collect information necessary for developing and implementing the formula for calculating the deferred payment due from a nuclear supplier under subsection (c)(2).

(B) Provision of Information.—Each nuclear supplier and other appropriate persons shall make available to the Secretary such information, reports, records, documents, and other data as the Secretary determines, by regulation, to be necessary or appropriate to develop and implement the formula under subsection (c)(2)(C).

(2) Private Insurance.—The Secretary shall submit to the Secretary of the Treasury, and insurers of nuclear suppliers, information to support the voluntary establishment and maintenance of private insurance against any risk for which nuclear suppliers may be required to pay deferred payments under this section.

(g) Effect on Liability.—Nothing in any other law (including regulations) limits liability for a covered incident to an amount equal to less than the amount prescribed in paragraph (a) of Article IV of the Convention, or global set-aside, to the extent—

(1) specifically refers to this section; and

(2) explicitly repeals, alters, amends, modifies, impairs, displaces, or supersedes the effect of this subsection.

(h) Payments to and by the United States.—

(1) Action by Nuclear Suppliers.—

(A) Notification.—In the case of a request for funds under Article VII of the Convention resulting from a covered incident that is not a Price-Anderson incident, the Secretary shall notify each nuclear supplier the amount of the deferred payment required to be made by the nuclear supplier.

(B) Waiver.—In general.—Except as provided under clause (1), not later than 60 days after receipt of a notification under subparagraph (A), a nuclear supplier shall pay to the general fund of the Treasury the deferred payment of the nuclear supplier required under subparagraph (A).

(ii) Annual Payments.—A nuclear supplier may elect to prorate payment of the deferred payment required under subparagraph (A) in 5 years by submitting a request for repayment on the unpaid balance at the prime rate prevailing at the time the first payment is due.

(C) Vouchers.—A nuclear supplier shall submit payment certification vouchers to the Secretary of the Treasury in accordance with section 3325 of title 31, United States Code.

(2) Use of Funds.—

(A) In General.—Amounts paid into the Treasury under paragraph (1) shall be available to the Secretary of the Treasury, without further appropriation and without fiscal year limitation, for the purpose of making the contributions of public funds required to be made by the United States under the Convention.

(B) Action by Secretary of Treasury.—The Secretary of the Treasury shall pay the contribution required under the Convention to the court of competent jurisdiction under Article XIII of the Convention with respect to the applicable covered incident.

(C) Payment From Nuclear Supplier.—If the nuclear supplier fails to make a payment required under this subsection, the Secretary may take appropriate action to recover from the nuclear supplier—

(A) the amount of the payment due from the nuclear supplier;

(B) any applicable interest on the payment; and

(C) a penalty of not more than twice the amount of the deferred payment due from the nuclear supplier.

(3) Limitation on Judicial Review; Cause of Action.—

(A) In General.—In any civil action arising under the Convention over which Article XIII of the Convention grants jurisdiction to the courts of the United States, any appeal or review by writ of mandamus or otherwise affecting the jurisdiction of the Federal courts under the Convention shall be made by the United States under the Convention.

(B) Action by Secretary of Treasury.—The Secretary of the Treasury shall pay the contribution required under the Convention to the court of competent jurisdiction under Article XIII of the Convention with respect to the applicable covered incident.

(C) Payment From Nuclear Supplier.—If the nuclear supplier fails to make a payment required under this subsection, the Secretary may take appropriate action to recover from the nuclear supplier—

(A) the amount of the payment due from the nuclear supplier;

(B) any applicable interest on the payment; and

(C) a penalty of not more than twice the amount of the deferred payment due from the nuclear supplier.

(4) Effect of Subsection.—Nothing in this section affects the jurisdiction of the United States over which the Convention grants jurisdiction to the courts of the United States, or affects the effect of the Convention on the jurisdiction of the courts of the United States over which the Convention grants jurisdiction to the courts of foreign countries.

(5) Right of Recourse.—This section does not prevent any nuclear supplier from bringing any right of recourse under the Convention.

(k) Protection of Sensitive United States Information.—Nothing in the Convention or this section requires the disclosure of—

(A) any data that, at any time, was Restricted Data (as defined in section 11 of the Atomic Energy Act of 1944 (42 U.S.C. 2021));

(B) any data that, at any time, was Restricted Data (as defined in section 11 of the Atomic Energy Act of 1944 (42 U.S.C. 2021));

(2) information relating to intelligence sources or methods of acquisition that is subject to section 102A(1) of the National Security Act of 1947 (50 U.S.C. 403-1); or

(3) national security information classified under Executive Order 12958 (50 U.S.C. 435 note; relating to classified national security information) or (a successor Executive Order or regulation).

(l) Regulations.—

(1) In General.—The Secretary or the Committee, as appropriate, may prescribe regulations to carry out subsection 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section.

(2) Requirement.—Rules prescribed under this subsection shall ensure, to the maximum extent practicable, that—

(A) the implementation of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and this section is consistent and equitable; and

(B) the financial and operational burden on a Commission licensee in complying with section 170 of that Act and this section is not greater as a result of the enactment of this section.

(x) Applicability of Provision.—Section 533 of title 5, United States Code, shall apply to the execution of regulations under this subsection.

(3) Effect of Subsection.—The authority provided under this subsection is in addition to, and does not limit, or otherwise affect, any other authority of the Secretary or the Commission to prescribe regulations.

(4) Effective Date.—This section shall take effect on the date of enactment of this Act.


(a) Purpose.—The purpose of this section is to—

(1) ensure greater United States energy security by combating corruption in the governments of foreign countries that receive revenue from the sale of their natural resources; and

(2) promote global energy security through promotion of programs such as the Extractive Industries Transparency Initiative (EITI) that seek to instill transparency and promote energy security and by supporting the development of democracy and increase political and economic stability in such resource rich foreign countries.

(b) Statement of Policy.—It is the policy of the United States—

(1) to increase energy security by promoting anti-corruption initiatives in oil and natural gas rich countries; and

(2) to promote global energy security through promotion of programs such as the Extractive Industries Transparency Initiative (EITI) that seek to instill transparency and promote energy security and by supporting the development of democracy and increase political and economic stability in such resource rich foreign countries.

(c) Sense of Congress.—It is the sense of Congress that the United States should further the energy security and promote democratic development in resource-rich foreign countries by—

(1) encouraging further participation in the EITI by eligible countries and companies; and

(2) promoting the efficacy of the EITI program by ensuring a robust and credible review mechanism.

(d) Report.—

(1) Report Required.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State, in consultation with the Secretary of Energy, shall submit to the appropriate committees of Congress a report on progress made in promoting transparency in extractive industries resource payments.
SEC. 1001. SHORT TITLE.
This title may be cited as the "Green Jobs Act of 2007."
appropriate training programs, including/apprenticeship and labor management training programs, including such activities referenced in paragraph (3)(A), and implement training that leads to the economic self-sufficiency of trainees.

"(E) PATHWAYS OUT OF POVERTY DEMONSTRATION PROGRAMS.—(1) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants of sufficient size to eligible entities to enable such entities to carry out training that leads to economic self-sufficiency. The Secretary shall give priority to entities that serve individuals in communities with income needs of less than 200 percent of the sufficiency standard for the local areas where the training is conducted that specifies, as defined by the State, or where the income needs of families, by family size, the number and ages of children in the family, and Sub-State geographical considerations. Grants shall be awarded to ensure geographic diversity.

“(ii) ELIGIBLE ENTITIES.—To be eligible to receive a grant an entity shall be a partnership that —(I) includes community-based nonprofit organizations, educational institutions with expertise in serving low-income adults or youth, the employers in the industry sectors described in paragraph (1)(B)(ii), and labor organizations representing workers in such industry sectors; —(II) demonstrates a record of successful experience in implementing and operating worker skills training and education programs; —(III) coordinates activities, where appropriate, with the workforce investment system; and —(IV) demonstrates the ability to recruit individuals for training and to support such individuals to successful completion in training programs carried out under this grant, targeting populations of workers who are or will be engaged in activities related to energy efficiency and renewable energy industries.

“(I) PRIORITIES.—In awarding grants under this paragraph, the Secretary shall give priority to applicants that —(I) target programs to benefit low-income workers, youth, and adults, high school dropouts, or other underserved sectors of the workforce within areas of high poverty in such industry sectors;

“(II) ensure that supportive services are integrated with education and training, and delivered by organizations with direct access to and involvement with targeted populations;

“(III) leverage additional public and private resources to fund training programs, including cash or in-kind matches from private funding of such program and an evaluation of the activities carried out by entities receiving funding from such program.

“DISCRIMINATION REQUIREMENTS.—(A) The provisions of sections 181 and 188 of the Workforce Investment Act of 1998 (29 U.S.C. 2911, 2913) shall apply to all programs carried out under this subsection.

“(B) AS USED IN THIS SUBSECTION.—As used in this subsection, the term ‘renewable energy’ has the meaning given such term in title 20(b)(2) of the Energy Policy Act of 2005 (Public Law 108-357).

“SEC. 1101. OFFICE OF CLIMATE CHANGE AND ENVIRONMENT.—(a) DEPARTMENT OF CLIMATE CHANGE AND ENVIRONMENT TO PLAN, COORDINATE, AND IMPLEMENT ACTIONS UNDER THE DEPARTMENT

“Subtitle A—Department of Transportation

SECTION 1101. OFFICE OF CLIMATE CHANGE AND ENVIRONMENT.

(a) IN GENERAL.—Section 102 of title 49, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

“(g) OFFICE OF CLIMATE CHANGE AND ENVIRONMENT.—

“(1) ESTABLISHMENT.—There is established in the Department an Office of Climate Change and Environment to plan, coordinate, and implement—

“(A) department-wide research, strategies, and actions under the Department’s statutes and regulations that are related to transportation energy use and mitigate the effects of climate change; and

"(B) PERFORMANCE MEASURES.—The Secretary shall establish performance measures for the Office of Climate Change and Environment to plan, coordinate, and implement. The Secretary shall establish the performance measures for the Office of Climate Change and Environment to plan, coordinate, and implement

"(B) PROGRAM COMPLETION RATES.

"(VI) FACTORS DETERMINED AS SIGNIFICANTLY INTERFERING WITH PROGRAM PARTICIPATION OR COMPLETION.

"(VII) THE RATE OF JOB PLACEMENT AND THE RATE OF EMPLOYMENT RETENTION AFTER 1 YEAR.

"(VIII) THE AVERAGE WAGE AT PLACEMENT, INCLUDING ANY BENEFITS, AND THE RATE OF AVERAGE WAGE INCREASE AFTER 1 YEAR.

"(IX) ANY POST-EMPLOYMENT SUPPORTIVE SERVICES PROVIDED.

"(A) IN GENERAL.—Activities to be carried out under a program authorized by subparagraph (B), (D), or (E) of paragraph (2) shall be coordinated with existing systems or providers, as appropriate. Such activities may include—

“(i) occupational skills training, including curriculum development, on-the-job training, and classroom training;

“(ii) safety and health training;

“(iii) the provision of basic skills, literacy, GED, English as a second language, and job readiness training;

“(iv) individual referral and tuition assistance for a community college training program, or any training program leading to an industry-recognized certificate;

“(v) internship programs in fields related to energy efficiency and renewable energy;

“(vi) customized training in conjunction with an existing registered apprenticeship program or labor-management partnership;

“(vii) incumbent worker and career ladder training and skill upgrading and retraining;

“(viii) the implementation of transitional jobs strategies; and

“(IX) THE PROVISION OF SUPPORTIVE SERVICES.

“(B) ELIGIBILITY.—In addition to the criteria described in subparagraph (A), activities authorized for programs under subparagraph (E) of paragraph (2) may include the provision of outreach, recruitment, career guidance, and case management services.

“(4) WORKER PROTECTIONS AND NON-DISCRIMINATION REQUIREMENTS.—(A) AGRICULTURAL WORKERS.—The provisions of sections 181 and 186 of the Workforce Investment Act of 1998 (29 U.S.C. 2911 and 2918) shall apply to all programs carried out under this subsection.

“(B) CONSULTATION WITH LABOR ORGANIZATIONS.—If a labor organization represents a substantial number of workers who are engaged in similar work or training in an area that is the same as the area that is proposed to be funded under this Act, the labor organization shall be provided an opportunity to be consulted and to submit comments in regard to such a proposal.

“(5) PERFORMANCE MEASURES.—(A) IN GENERAL.—The Secretary shall negotiate in each contract with the eligible entities that receive grants and assistance under this section on performance measures for the indicators of performance specified in subparagraphs (A) and (B) of section 136(b)(2) that will be used to evaluate the performance of the eligible entity in carrying out the activities described in subsection (e)(2). Each performance measure shall consist of such an indicator of performance, and a performance level referred to in subclause (B) of—

"(B) PERFORMANCE LEVELS.—The Secretary shall establish and reach agreement with the eligible entity regarding the levels of performance expected to be achieved by the eligible entity on the indicators of performance.

“(6) REPORT.—(A) ANNNUAL REPORT.—Not later than 18 months after the date of enactment of the Green Jobs Act of 2007, the Secretary shall transmit a report to the Senate Committee on Appropriations, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the training programs established by this subsection. The report shall include a description of the entities receiving funding and the activities carried out by such entities.

“(B) EVALUATION.—Not later than 3 years after the date of enactment of such Act, the Secretary shall transmit a report to the Senate Committee on Appropriations, the Senate Committee on Health, Education, Labor, and Pensions, the House Committee on Education and Labor, and the House Committee on Energy and Commerce on the extent to which the performance levels established under paragraph (2), the performance expected to be achieved by the eligible entity regarding the levels of performance described in subparagraphs (A) and (B) of section 136(b)(2) of the Workforce Investment Act of 1998 (29 U.S.C. 2911 and 2913) were met. The reports shall include the provision of outreach, recruitment, career guidance, and case management services.

“(C) REMAINders.—The remaining funds shall be divided equally between National Energy Partnership Training and Development Programs, and National Energy Partnership Training and Development Partnerships.
“(B) department-wide research strategies and actions to address the impacts of climate change on transportation systems and infrastructure.

(C) CLEAN HOUSE.—The Office shall establish a clearinghouse of solutions, including cost-effective congestion reduction approaches, to reduce air pollution and transportation energy use and mitigate the effects of climate change.

(2) COORDINATION.—The Office of Climate Change and Environment of the Department of Transportation shall coordinate its activities with the United States Global Change Research Program.

(c) Secretary on Transportation System’s Impact on Climate Change and Fuel Efficiency.—

(1) STUDY.—The Office of Climate Change and Environment, in coordination with the Environmental Protection Agency and in consultation with the United States Global Change Research Program, shall conduct a study to examine the impact of the Nation’s transportation system on climate change and the fuel efficiency savings and clean air impacts of major transportation projects, to identify solutions to reduce air pollution and transportation energy use and mitigate the effects of climate change, and to examine the potential fuel savings that could result from changes in the current transportation system.

(2) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of Transportation, in coordination with the Administrator of the Environmental Protection Agency, shall submit to the Committee on Transportation and Infrastructure and the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Environment and Public Works of the Senate a report that contains the results of the study required under this section.

(d) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary of Transportation for the Office of Climate Change and Environment to carry out its duties under section 122(g) of title 49, United States Code (as amended by this Act), such sums as may be necessary for fiscal years 2008 through 2011.

Subtitle B—Railroads

SEC. 111. ADVANCED TECHNOLOGY LOCOMOTIVE GRANT PILOT PROGRAM.

(a) In General.—The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall establish and carry out a pilot program for making grants to railroad operators that use or adopt locomotive technologies that demonstrate innovative strategies and a financial commitment to increasing energy efficiency and reducing greenhouse gas emissions of their railroad operations.

(b) Competitive Grant Selection Process.—

(1) APPLICATIONS.—A railroad carrier or State or local government seeking a grant under this section shall submit for approval by the Secretary of Transportation an application for the grant containing such information as the Secretary of Transportation may require.

(2) COMPETITIVE SELECTION.—The Secretary of Transportation shall conduct a national solicitation for applications for grants under this section and shall select grantees on a competitive basis.

(c) Use of Funds.—Grants provided under this section shall be used to implement track capital projects as soon as possible. In no event shall grant funds be contractually obligated for a project later than the end of the third Federal fiscal year following the year in which the grant was awarded. Any funds not so obligated by the end of such fiscal year shall be returned to the Secretary for reallocation.

(d) Employee Protection.—The Secretary shall require as a condition of any grant made under this section that the recipient railroad provide a fair arrangement and agreement for the protection of employees who are affected by the project to be funded with the grant as the terms imposed under section 11326(a) as in effect on the date of the enactment of this chapter.

(e) Labor Standards.—

(1) Prevailing Wages.—The Secretary shall ensure that laborers and mechanics employed by contractors and subcontractors in construction work funded under this section will be paid wages not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor under subchapter IV of chapter 31 of title 49 (commonly known as the ‘‘Davis-Bacon Act’’). The Secretary shall make a grant under this section only after being assured that required labor standards will be maintained on the construction work.

(2) Wage Rates.—Wage rates in a collective bargaining agreement negotiated under the Railway Labor Act (43 U.S.C. 151 et seq.) are deemed for purposes of this subsection to comply with the subchapter IV of chapter 31 of title 49.

(f) Study.—The Secretary shall conduct a study of the projects carried out with grant assistance under this section to determine the extent to which the program helps promote a reduction in fuel use associated with the transportation of freight and demonstrates innovative technologies that increase fuel economy, reduce greenhouse gas emissions, and lower the costs of operation. Not later than March 31, 2009, the Secretary shall submit a report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, including any recommendations that the Secretary considers appropriate regarding the program.

(g) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary $50,000,000 for each of fiscal years 2008 through 2011 for grants under this section to states and local governments for purposes of this section.

CHAPTER 225—CAPITAL GRANTS FOR CLASS II AND CLASS III RAILROADS

SEC. 22501. Capital grants for class II and class III railroads.

SEC. 22501. Capital grants for class II and class III railroads.

(4)付き添い車両およびその他エネルギー効率の高い運搬機関、包括的に混合エネルギー効率の高い運搬機関、低エネルギーエンジンの使用について、実施に伴う効果をめぐる計画が示されている。
Subtitle C—Maritime Transportation

SEC. 1121. SHORT SEA TRANSPORTATION INITIATIVE.

(a) In General.—Title 46, United States Code, is amended by adding after chapter 555 the following:

"CHAPTER 556—SHORT SEA TRANSPORTATION"

"Sec. 55601. Short sea transportation program.

"Sec. 55602. Cargo and shippers.

"Sec. 55603. Interagency coordination.

"Sec. 55604. Research on short sea transportation.

"Sec. 55605. Short sea transportation defined.

"§ 55601. Short sea transportation program

"(a) Establishment.—The Secretary of Transportation shall establish a short sea transportation program and designate short sea transportation projects to be conducted under the program to mitigate landside congestion.

"(b) Program Elements.—The program shall encourage the use of short sea transportation through the development and expansion of—

"(1) documented vessels;

"(2) intermodal utilization;

"(3) port and landside infrastructure; and

"(4) marine transportation strategies by State and local governments.

"(c) Short Sea Transportation Routes.—The Secretary shall designate short sea transportation routes as extensions of the surface transportation system in the public sector and public private efforts to use the waterways to relieve landside congestion along coastal corridors. The Secretary may collect and disseminate data for the designation and delineation of short sea transportation routes.

"(d) Project Designation.—The Secretary may designate a project to be a short sea transportation project if the Secretary determines that the project may—

"(1) offer a waterborne alternative to available landside transportation services using documented vessels; and

"(2) provide transportation services for passengers or freight (or both) that may reduce congestion on landside infrastructure using documented vessels.

"(e) Elements of Program.—For a short sea transportation project designated under this section, the Secretary may—

"(1) promote the development of short sea transportation services;

"(2) coordinate, with ports, State departments of transportation, localities, other public sector entities, and the private sector, and on the development of landside facilities and infrastructure to support short sea transportation services; and

"(3) identify performance measures for the short sea transportation program.

"(f) Multistate, State and Regional Transportation Planning.—The Secretary, in consultation with Federal entities and State and local governments, shall develop strategies to encourage the use of short sea transportation for transportation of passengers and cargo. The Secretary shall—

"(1) assess the extent to which States and local governments include short sea transportation and other marine transportation solutions in their transportation planning;

"(2) encourage State departments of transportation to develop strategies, where appropriate, to incorporate short sea transportation and other marine transportation solutions for regional and interstate transport of freight and passengers in their transportation planning; and

"(3) designate additional States and multi-State transportation entities to determine how short sea transportation can address congestion, bottlenecks, and other interstate transportation challenges.

§ 55602. Cargo and shippers

"(a) Memorandum of Agreement.—The Secretary of Transportation shall enter into memorandums of understanding with the heads of other entities to transfer federally owned or generated cargo using a short sea transportation project designated under section 55601 when practical or available.

"(b) Short-Term Incentives.—The Secretary shall consult shippers and other participants in transportation logistics and develop proposals for short-term incentives to encourage the use of short sea transportation.

§ 55603. Interagency coordination

"The Secretary of Transportation shall establish a board to identify and seek solutions to impediments hindering effective use of short sea transportation. The board shall include representatives of the Environmental Protection Agency and other Federal, State, and local governmental entities and private sector entities.

§ 55604. Research on short sea transportation

"The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, may conduct research on short sea transportation, regarding—

"(1) the environmental and transportation benefits to be derived from short sea transportation alternatives for other forms of transportation;

"(2) technology, vessel design, and other improvements that would reduce emissions, increase fuel economy, and lower costs for short sea transportation and increase the efficiency of intermodal transfers; and

"(3) solutions to impediments to short sea transportation projects designated under section 55601.

§ 55605. Short sea transportation defined

"In this chapter, the term 'short sea transportation' means the carriage by vessel of cargo—

"(1) that is—

"(A) contained in intermodal cargo containers and loaded by crane on the vessel; or

"(B) loaded on the vessel by means of wheeled technology; and

"(2) that is—

"(A) loaded at a port in the United States and unloaded either at another port in the United States or at a port in Canada located in the Great Lakes Saint Lawrence Seaway System; or

"(ii) loaded at a port in Canada located in the Great Lakes Saint Lawrence Seaway System and unloaded at a port in the United States.

"(b) Allowable Purposes.—Section 53503(b) of such title is amended by striking "noncontiguous domestic, or short sea transportation trade" and inserting "noncontiguous domestic, or short sea transportation trade".

SEC. 1123. SHORT SEA TRANSPORTATION REPORT.

Not later than one year after the date of enactment of this Act, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment, Science, and Transportation of the Senate a report on the short sea transportation program established under the amendments made by section 1121. The report shall include a description of the activities conducted under the program, and any recommendations for further legislative or administrative action that the Secretary of Transportation considers appropriate.

Subtitle D—Highways

SEC. 1131. INCREASED FEDERAL SHARE FOR CMAQ PROJECTS.

Section 130(e) of title 23, United States Code, is amended—

(1) in the subsection heading by striking "FOR CERTAIN SAFETY PROJECTS";

(2) by striking "The Federal share" and inserting the following:

"(1) CERTAIN SAFETY PROJECTS.—The Federal share"; and

(3) by adding at the end the following:

"(2) CMAQ PROJECTS.—The Federal share payable on account of a project or program carried out under section 149 with funds obligated in fiscal years 2008 or 2009, or both, shall be not less than 90 percent of the discretion of the State, may be up to 100 percent of the cost thereof.".

SEC. 1132. DISTRIBUTION OF RESCISSIONS.

(a) In General.—Any unobligated balances of amounts that are appropriated from the Highway Trust Fund for a fiscal year, and appropriated under chapter 1 of title 23, United States Code, before, on, or after the date of enactment of this Act and that are rescinded in fiscal year 2008 or fiscal year 2009 shall be distributed by the Secretary of Transportation within the State (as defined in section 101 of such title) among all programs for which funds are appropriated under such chapter for such fiscal year, to the extent that funds remain available for obligation, in the ratio that the amount of funds apportioned for each program under...
such chapter for such fiscal year, bears to the amount of funds apportioned for all such programs under such chapter for such fiscal year.

(b) ADJUSTMENTS.—A State may make adjustments to the distribution of a rescission within the State for a fiscal year under subsection (a) by transferring the amounts to be rescinded among programs for which funds are apportioned under chapter 1 of title 23, United States Code, for such fiscal year, except that in making such adjustments the State may not rescind from any such program more than 110 percent of the funds to be rescinded from the program for the fiscal year as determined by the Secretary of Transportation under subsection (a).

(c) TREATMENT OF TRANSPORTATION ENHANCEMENT SET-ASIDE AND FUNDS SUBALLOCATED TO SUBSTATE AREAS.—Funds set aside under sections 133(d)(2) and 133(d)(3) of title 23, United States Code, shall be treated as being apportioned under chapter 1 of such title for purposes of subsection (a).

SEC. 1133. SENSE OF CONGRESS REGARDING USE OF COMPLETE STREETS DESIGN TECHNIQUES.

It is the sense of Congress that in constructing new roadways or rehabilitating existing facilities, State and local governments should be encouraged to design systems that accommodate all users, including motorists, pedestrians, cyclists, transit riders, and people of all ages and abilities, in order to—

(1) divert surface transportation users by creating a more interconnected and intermodal system;

(2) create more viable transportation options;

(3) facilitate the use of environmentally friendly options, such as public transportation, walking, and bicycling.

TITLE XII—SMALL BUSINESS ENERGY PROGRAMS

SEC. 1201. EXPRESS LOANS FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY.

Section 7(a)(31) of the Small Business Act (15 U.S.C. 636(a)(31)) is amended by adding at the end the following:

"'(F) EXPRESS LOANS FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY.—'

'(i) In general.—The Administrator may make a loan under the Express Loan Program established under this subsection to an eligible small business concern in order to—

'(I) undertake a renewable energy system; or

'(II) carrying out an energy efficiency project for a small business concern.'"

SEC. 1202. PILOT PROGRAM FOR REDUCED 7(a) FEES FOR LOANS FOR ENERGY EFFICIENT TECHNOLOGIES.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

"'(32) LOANS FOR ENERGY EFFICIENT TECHNOLOGIES.—'

'(A) DEFINITIONS.—In this paragraph—

'(I) the term 'cost' means the amount given that term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a);

'(II) the term 'covered energy efficiency loan' means a loan made under this subsection;

'(III) the term 'pilot program' means the pilot program established under subparagraph (B);

'(B) ESTABLISHMENT.—The Administrator shall establish and carry out a pilot program under which the Administrator shall reduce the fees for covered energy efficiency loans.

'(C) DURATION.—The pilot program shall terminate at the end of the second full fiscal year after the date that the Administrator establishes the pilot program.

'(D) MAXIMUM PARTICIPATION.—A covered energy efficiency loan shall include the maximum participation levels by the Administrator permitted for loans made under this subsection.

'(E) FEES.—'

'(i) In general.—The fee on a covered energy efficiency loan shall be equal to 50 percent of the fee otherwise applicable to that loan under paragraph (18).'

'(ii) WAIVER.—The Administrator may waive clause (i) for a fiscal year if—

'(I) for the borrower that fiscal year, the annual rate of default of covered energy efficiency loans exceeds that of loans made under this subsection that are not covered energy efficiency loans;

'(II) the cost to the Administration of making loans under this subsection is greater than zero and such cost is directly attributable to the cost of making covered energy efficiency loans; and

'(III) no additional sources of revenue attributable to the cost of making covered energy efficiency loans are available to reduce the cost of making covered energy efficiency loans.

'(F) GAO REPORT.—'

'(i) IN GENERAL.—Not later than 1 year after the date that the pilot program terminates, the Administrator shall report to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the pilot program.

'(ii) CONTENTS.—The report submitted under clause (i) shall include—

'(I) a description of the impact of the pilot program on the program under subsection (a);

'(II) an evaluation of the efficacy and potential fraud and abuse of the pilot program; and

'(III) recommendations for improving the pilot program.'"
(3) Consultation and cooperation.—The program required by paragraph (2) shall be developed and coordinated:
(A) in consultation with the Secretary of Energy, the Administrator of the Environmental Protection Agency; and
(B) in cooperation with any entities the Administrator considers appropriate, such as industry associations, industry members, and energy efficiency organizations.

(4) Availability of information.—The Administrator shall make available the information and materials developed under the program required by paragraph (2) to—
(A) small business concerns, including smaller design, engineering, and construction firms; and
(B) other Federal programs for energy efficiency, such as the Energy Star for Small Business program.

(g) Strategy and report.—
(A) Strategy required.—TheAdministrator shall develop a strategy to educate, encourage, and assist small business concerns in adopting energy efficient building fixtures and equipment.
(B) Report.—Not later than December 31, 2008, the Administrator shall submit to Congress a report to implement the strategy developed under subparagraph (A).

(c) Small business sustainability initiative.—
(I) Authority.—The Administrator shall establish a Small Business Energy Efficiency Program to provide energy efficiency assistance to small business concerns through small business development centers.
(II) Small business development centers.—
(A) In general.—In carrying out the Efficiency Program, the Administrator shall enter into agreements with small business development centers under which such centers shall—
(i) provide access to information and resources on energy efficiency practices, including on-bill financing options;
(ii) conduct training and educational activities;
(iii) offer confidential, free, one-on-one, in-depth energy audits to the owners and operators of small business concerns regarding energy efficiency practices;
(iv) give referrals to certified professionals and other providers of energy efficiency assistance to small business concerns in such standards for educational, technical, and professional competency as the Administrator shall establish;
(v) to the extent not inconsistent with control of Federal utility rates, promulgate regulations, act as a facilitator between small business concerns, electric utilities, lenders, and the Administration to facilitate on-bill financing arrangements; and
(vi) provide necessary support to small business concerns to—
(I) evaluate energy efficiency opportunities and develop design or construct high performance green buildings;
(II) evaluate renewable energy sources, such as the use of solar and small wind to supplement power consumption;
(III) secure financing to achieve energy efficiency or to design or construct high performance green buildings; and
(IV) implement energy efficiency projects;
(vii) assist owners of small business concerns with the development and commercialization of clean technology products, goods, and services, and processes that use renewable energy sources, dramatically reduce the use of natural resources, and cut or eliminate greenhouse gas emissions throughout the electricity generating process; and
(I) technology assessment;
(II) intellectual property;
(III) Small Business Innovation Research submissions under section 9 of the Small Business Act (15 U.S.C. 638); (IV) strategic alliances; (V) business links; and (VI) preparation for investors; and
(viii) help small business concerns improve environmental performance by shifting to less hazardous, more efficient energy using products and emissions, including by providing assistance for small business concerns to adapt the materials they use, the processes they operate, and the products and services they produce.

(ii) Reports.—Each small business development center participating in the Efficiency Program shall provide the Administrator and the Administrator of the Environmental Protection Agency an annual report that includes—
(i) a summary of the energy efficiency assistance provided by that center under the Efficiency Program;
(ii) the number of small business concerns assisted by that center under the Efficiency Program;
(iii) statistics on the total amount of energy saved as a result of assistance provided by that center under the Efficiency Program; and
(iv) any additional information determined necessary by the Administrator, in consultation with the Committee.

(B) Reports to Congress.—Not later than 60 days after the date on which all reports under subparagraph (B) relating to a year are submitted, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report summarizing the information regarding the Efficiency Program submitted by small business development centers participating in that program.
(III) Small business development center shall be eligible to participate in the Efficiency Program only if that center is certified under section 21(k)(2) of the Small Business Act (15 U.S.C. 648(k)(2)).

(IV) Selection of participating state programs.—From among small business development centers submitting applications to participate in the Efficiency Program, the Administrator—
(A) shall, to the maximum extent practicable, select small business development centers in such a manner so as to promote a nationwide distribution of centers participating in the Efficiency Program; and
(B) may not select more than 1 small business development center in each State to participate in the Efficiency Program.

(V) Matching requirement.—Subparagraphs (A) and (B) of section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) shall apply to assistance made available under the Efficiency Program.

(6) Grant amounts.—Each small business development center selected to participate in the Efficiency Program under paragraph (4) shall be eligible to receive a grant in an amount equal to—
(A) not less than $100,000 in each fiscal year; and
(B) not more than $300,000 in each fiscal year.

(7) Evaluation and report.—The Comptroller General of the United States shall—
(A) not later than 30 months after the date of disbursement of the first grant under the Efficiency Program, initiate an evaluation of that program; and
(B) not later than 6 months after the date of the initiation of the evaluation under subparagraph (A) and before the date of disbursement of the first grant under the Efficiency Program, the Administrator shall transmit to the Committee on Small Business and Entrepreneurship of the Senate, and the Com-
SEC. 1205. ENERGY SAVING DEBENTURES.

(a) In General.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 649i(a)) is amended by adding at the end the following:

"(k) ENERGY SAVING DEBENTURES.—In addition to any other authority under this Act, a small business investment company licensed under section 303(b)(4)(A) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a) with respect to purchasing or guaranteeing any debt instrument (as such term is defined in section 303(b)(4)(A)) for purposes of subparagraph (A), the Administrator shall exclude the amount of the cost basis of any Energy Saving debenture issued by a company licensed in the applicable fiscal year.

(II) Maximum Investment.—The exclusion of amounts under clause (i) shall be subject to such terms as the Administrator may impose to ensure that there is no cost (as that term is defined in section 303(b)(4)(A) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) with respect to purchasing or guaranteeing any debenture involved.

(b) Maximum Aggregate Amount of Leverage.—Section 303(b)(4)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 649i(b)(4)) is amended by adding at the end the following:

"(E) INVESTMENTS IN ENERGY SAVING SMALL BUSINESSES.—

(1) In General.—Subject to clause (i), in calculating the outstanding leverage of a company for purposes of subparagraph (A), the Administrator shall exclude the amount of the cost basis of any Energy Saving qualified investment in a smaller enterprise made in the first fiscal year after the date of enactment of this subparagraph or any fiscal year thereafter by a company licensed in the applicable fiscal year.

(2) LIMITATIONS.—

"(i) Amount of Exclusion.—The amount equal to more than 20 percent of the private capital of that company.

(ii) Maximum Investment.—A company shall not make an Energy Saving qualified investment in any one entity in an amount exceeding 33 percent of the private capital of that company.

(ii) Utilities.—The exclusion of amounts under clause (i) shall be subject to such terms as the Administrator may impose to ensure that there is no cost (as that term is defined in section 303(b)(4)(A) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) with respect to purchasing or guaranteeing any debt instrument (as such term is defined in section 303(b)(4)(A)) for purposes of subparagraph (A), the Administrator shall exclude the amount of the cost basis of any Energy Saving debenture issued by a company licensed in the applicable fiscal year.

(III) OTHER TERMS.—The exclusion of amounts under clause (i) shall be subject to such terms as the Administrator may impose to ensure that there is no cost (as that term is defined in section 302 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) with respect to purchasing or guaranteeing any debenture involved.

SEC. 1207. RENEWABLE FUEL CAPITAL INVESTMENT COMPANY.

Title III of the Small Business Investment Act of 1958 (15 U.S.C. 649i) is amended by adding at the end the following:

"PART C.—RENEWABLE FUEL CAPITAL INVESTMENT PILOT PROGRAM

SEC. 381. DEFINITIONS.

"In this part:

(1) OPERATIONAL ASSISTANCE.—The term ‘operational assistance’ means management, marketing, and other technical assistance that assists a small business concern with business development.
“(2) PARTICIPATION AGREEMENT.—The term ‘participation agreement’ means an agreement, between the Administrator and a company granted final approval under section 384(e), that—

(A) details the operating plan and investment criteria of the company; and

(B) requires the company to make investments in smaller enterprises engaged in researching, manufacturing, developing, producing, or bringing to market goods, products, or services that generate or support the production of renewable energy.

“(3) RENEWABLE ENERGY.—The term ‘renewable energy’ means energy derived from resources that are regenerative or that cannot be depleted, including solar, wind, ethanol, and biodiesel fuels.

“(4) RENEWABLE FUEL CAPITAL INVESTMENT COMPANY.—The term ‘Renewable Fuel Capital Investment company’ means a company—

(A) that—

(i) has been granted final approval by the Administrator under section 384(e); and

(ii) has entered into a participation agreement with the Administrator; or

(B) that has received conditional approval under subsection (c)(4).

“(5) STATE.—The term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Commonwealth of the Northern Marianas Islands, and any other commonwealth, territory, or possession of the United States.

“(6) VENTURE CAPITAL.—The term ‘venture capital’ means capital in the form of equity capital investments, as that term is defined in section 303(g)(4).

“SEC. 382. PURPOSES.

The purposes of the Renewable Fuel Capital Investment Program established under this part are—

(1) to promote the research, development, manufacture, production, and bringing to market of goods, products, or services that generate or support the production of renewable energy by encouraging venture capital investments in smaller enterprises primarily engaged in such activities; and

(2) to establish a venture capital program, with the mission of addressing the unmet equity needs of smaller enterprises engaged in researching, developing, manufacturing, producing, and bringing to market goods, products, or services that generate or support the production of renewable energy, to be administered by the Administrator.

“(A) to enter into participation agreements with Renewable Fuel Capital Investment companies;

(B) to guarantee debentures of Renewable Fuel Capital Investment companies to enable such companies to make venture capital investments in smaller enterprises engaged in the research, development, manufacture, production, and bringing to market of goods, products, or services that generate or support the production of renewable energy; and

(1) make grants to Renewable Fuel Capital Investment companies, and to other entities, for the purpose of providing operational assistance to smaller enterprises financed, or expected to be financed, by such companies.

“SEC. 383. ESTABLISHMENT.

The Administrator shall establish a Renewable Fuel Capital Investment Program, under which the Administrator may—

(1) enter into participation agreements for the purposes described in section 382; and

(2) guarantee the debentures issued by Renewable Fuel Capital Investment companies as provided in section 385.

“SEC. 384. SELECTION OF RENEWABLE FUEL CAPITAL INVESTMENT COMPANIES.

(a) ELIGIBILITY.—A company is eligible to apply to be designated a Renewable Fuel Capital Investment company if the company—

(1) is a newly formed for-profit entity or a newly formed for-profit subsidiary of an existing entity;

(2) has a management team with experience in alternative energy financing or renewable venture capital financing; and

(3) has a primary objective of investment in smaller enterprises that research, manufacture, develop, produce, or bring to market goods, products, or services that generate or support the production of renewable energy.

(b) APPLICATION.—A company desiring to be designated a Renewable Fuel Capital Investment company shall submit an application to the Administrator that includes—

(1) a business plan describing how the company intends to make successful venture capital investments in smaller enterprises primarily engaged in the research, manufacture, development, production, or bringing to market of goods, products, or services that generate or support the production of renewable energy;

(2) information regarding the relevant venture capital qualifications and general reputation of the management of the company;

(3) a description of how the company intends to seek to address the unmet capital needs of the smaller enterprises served;

(4) a proposal describing how the company intends to use the grant funds provided under this part to provide operational assistance to smaller enterprises financed by the company, including information regarding whether the company has employees with appropriate professional licenses or will contract with another entity when the services of such an individual are necessary;

(5) with respect to binding commitments to be made to the company under this part, an estimate of the ratio of cash to in-kind contributions;

(6) a description of whether and to what extent the company meets the criteria under subsection (c)(2) and the objectives of the program established under this part;

(7) information regarding the management team of any parent company, the membership of an affiliated firm, affiliated firm, or any other firm essential to the success of the business plan of the company; and

(8) such other information as the Administrator may require.

(c) CONDITIONAL APPROVAL.—

(1) IN GENERAL.—In general, companies submitting applications under subsection (b), the Administrator shall conditionally approve companies to operate as Renewable Fuel Capital Investment companies.

(2) SELECTION CRITERIA.—In conditionally approving companies under paragraph (1), the Administrator shall consider—

(A) the likelihood that the company will meet the goal of its business plan;

(B) the experience and background of the management team of the company;

(C) the net proceeds and investments in the geographic areas in which the company intends to invest;

(D) the extent to which the company will concentrate its activities in the geographic areas in which it intends to invest;

(E) the likelihood that the company will be able to satisfy the conditions under subsection (d); and

(F) the extent to which the activities proposed by the company will expand economic opportunities in the geographic areas in which it intends to invest.

“SEC. 385. DEBENTURES.

(a) IN GENERAL.—The Administrator may guarantee the timely payment of principal and interest on debentures issued by any Renewable Fuel Capital Investment company.
(b) Terms and Conditions.—The Administrator may make guarantees under this section on such terms and conditions as it determines appropriate, except that—

(1) a debenture guaranteed under this section shall not exceed 15 years; and

(2) a debenture guaranteed under this section—

(A) shall carry no front-end or annual fees;

(B) shall be issued at a discount;

(C) shall require no interest payments during the 5-year period beginning on the date the debenture is issued; and

(D) shall be callable without penalty after the end of the 1-year period beginning on the date the debenture is issued; and

(E) shall require annual interest payments after the period described in subparagraph (C).

(c) Full Faith and Credit of the United States.—The full faith and credit of the United States is pledged to pay all amounts that may be required to be paid under any guarantee under this section.

(d) Treatment of Certain Federal Funds.—For the purposes of paragraph (1), private capital shall include capital that is considered to be Federal funds, if such capital is contributed by an investor other than a department or agency of the Federal Government.

SEC. 388. Issuance and Guarantee of Trust Certificates.

(a) Issuance.—The Administrator may issue trust certificates representing ownership of all or a fractional part of debentures issued by a Renewable Fuel Capital Investment company and guaranteed by the Administrator under this part, in an amount established annually by the Administrator, as necessary to fully protect the interests of the United States.

(b) Guarantee.—

(1) IN GENERAL.—The Administrator may, under the terms of a guarantee issued under this section, guarantee the timely payment of the principal and interest on trust certificates issued by the Administrator or its agents for purposes of this section.

(2) LIMITATION.—Each guarantee under this subsection shall be limited to the extent of principal and interest on the guaranteed debentures that compose the trust or pool.

(3) PREPAYMENT OR DEFAULT.—If a debenture in a trust or pool is prepaid, or in the event of default of such a debenture, the guarantee of timely payment of principal and interest on the trust certificates issued by the Administrator or its agents for purposes of this section shall be reduced to the amount of principal and interest such prepaid debenture represents in the trust or pool. Interest on prepaid or defaulted debentures shall accrue and become due to the Administrator only through the date of payment of the guarantee. At any time during its term, a trust certificate may be called for redemption due to prepayment or default of all debentures.

(c) Full Faith and Credit of the United States.—The full faith and credit of the United States is pledged to pay all amounts that may be required to be paid under any guarantee of a trust certificate issued by the Administrator or its agents under this section.

(d) Fees.—The Administrator shall not collect a fee for any guarantee of a trust certificate under this section, but any agent of the Administrator may collect a fee approved by the Administrator for the functions described in subsection (b)(2).

(e) Subrogation and Ownership Rights.—

(1) SUBROGATION.—If the Administrator pays a claim made under this section, it shall be subrogated fully to the rights satisfied by such payment.

(2) OWNERSHIP RIGHTS.—No Federal, State, or local Government shall limit the exercise by the Administrator of its ownership rights in the debentures residing in a trust or pool against which trust certificates are issued under this section.

(f) Management and Administration.—

(1) REGISTRATION.—The Administrator may provide for a central registration of all trust certificates issued under this section.

(2) CONTRACTING OF FUNCTIONS.—

(A) IN GENERAL.—The Administrator may contract with an agent or agents to carry out on behalf of the Administrator the pooling and the central registration functions provided for in this section, including, not withstanding any other provision of law—

(1) maintenance, on behalf of and under the direction of the Administrator, of such commercial bank accounts or investments in obligations of the United States as may be necessary to fund the trusts or pools backed by debentures guaranteed under this section; and

(2) issuance of trust certificates to facilitate the creation of such trusts or pools.

(B) FIDELITY BOND OR INSURANCE REQUIREMENT.—Any agent performing functions on behalf of the Administrator under this paragraph shall provide a fidelity bond or insurance in such amounts as the Administrator determines to be necessary to fully protect the interests of the United States.

(g) Limitation on Costs and Expenses.—The Administrator may regulate brokers and dealers in trust certificates issued under this section.

(h) Electronic Registration.—Nothing in this subsection may be construed to prohibit the use of a book-entry or other electronic form of registration for trust certificates issued under this section.

SEC. 389. Fees.

(a) In General.—Except as provided in section 386(d), the Administrator may charge a fee for any guarantee or grant issued under this section in an amount established annually by the Administrator, with respect to any guarantee or grant issued under this section, in an amount established annually by the Administrator, as necessary to reduce the fee established in section 502 of the Federal Credit Reform Act of 1990 to the Administration of purchasing and guaranteeing debentures under this part, which amounts shall be paid to and retained by the Administrator.

(b) Offset.—The Administrator may, as provided by section 386, offset fees charged and collected under subsection (a).

SEC. 388. Fee Contribution.

(a) In General.—To the extent that amounts are received by the Administrator for the purpose of fee contributions, the Administrator shall contribute fees paid by the Renewable Fuel Capital Investment company to the fees paid by the Administrator.

(b) Annual Adjustment.—Each fee contribution under subsection (a) shall be effective for 1 fiscal year and shall be adjusted as necessary for each fiscal year thereafter to ensure that amounts under subsection (a) are fully used. The fee contribution for a fiscal year shall be based on the outstanding commitments made and the guarantees and grants that the Administrator projects will be made during that fiscal year, given the circumstances existing in any entity for that fiscal year and any other factors that the Administrator determines appropriate.


(a) In General.—Except as provided in subsection (b), any national bank, any member bank of the Federal Reserve System, and (to the extent permitted under applicable State law) any insured bank that is not a member of such system, may invest in any Renewable Fuel Capital Investment company for any purpose under this section, but shall not invest solely in Renewable Fuel Capital Investment companies.
SEC. 391. FEDERAL FINANCING BANK.

Notwithstanding section 318, the Federal Financing Bank may acquire a debenture issued by a Renewable Fuel Capital Investment company.

SEC. 392. REPORTING REQUIREMENT.

Each Renewable Fuel Capital Investment company that participates in the program established under this section shall provide to the Administrator such information as the Administrator may require, including—

(1) information related to the measure- ments of the performance of the company proposed in its program application; and

(2) in each case in which the company makes, under this part, an investment in, or a loan to, a business that is not primarily engaged in the research, development, manufacture, or marketing to market or renewable energy sources, a report on the nature, origin, and revenues of the business in which investments are made.

SEC. 393. EXAMINATIONS.

(a) IN GENERAL.—Each Renewable Fuel Capital Investment company that partici- pates in the program established under this part shall provide to the Administrator such information as the Administrator may require, including—

(1) ASSESSMENT.—Funds deposited under section 393(c)(2) are authorized to be appropriated only for the costs of examinations under section 398 of all other oversight activities with respect to the program established under this part.

(2) TERMINATION.—The program under this part shall terminate at the end of the second full fiscal year after the date that the Administrator establishes the program under this part.

SEC. 1208. STUDY AND REPORT.

The Administrator of the Small Business Administration shall conduct a study of the Renewable Fuel Capital Investment Program under part C of title III of the Small Business Act. Funds deposited under section 309 of the Small Business Act. Not later than 3 years after the date of enactment of this Act, the Administrator shall complete the study under this section and submit to Congress a report regarding the results of the study.

TITLE XIII—SMART GRID

SEC. 1301. STATEMENT OF POLICY ON MOD-ERNIZATION OF ELECTRICITY GRID.

It is the policy of the United States to sup-port the development of its electric utilities’ electricity transmission and distribution systems and technologies that optimize the physical opera-
tion of a Smart Grid, and to encourage such progress.

SEC. 1302. SMART GRID SYSTEM REPORT.

The Secretary, acting through the Assistant Secretary of the Office of Electricity Delivery and Energy Reliability shall, within 90 days of enactment of this Act, the Smart Grid Task Force composed of designated employees from the various divisions of the Federal government related to smart-grid technologies and practices, and the optimum means of using Federal incen-
tive authority to encourage such progress.

(3) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Smart Grid Advisory Committee.

(b) SMART GRID TASK FORCE.—

(1) ESTABLISHMENT.—The Secretary shall establish a Federal Advisory Committee to advise the Secretary, the Assistant Secretary, and other relevant Federal officials concerning the development of smart-grid technologies and practices, in order to facilitate the progress of a national transition to the use of smart-grid technologies and services, the evolution of widely-accepted technical and practical standards and protocols to allow interoperability and inter-communica-
tion among smart-grid capable devices, and the optimum means of using Federal incen-
tive authority to encourage such progress.

(2) MEMBERS.—Subject to the availability of appropriations, the Administrator is authorized to make $15,000,000 in operational assistance grants under section 389 for each of fiscal years 2008 and 2009.

(b) FUNDS COLLECTED FOR EXAMINA-
tions.—Funds deposited under section 393(c)(2) are authorized to be appropriated only for the costs of examinations under section 398 of all other oversight activities with respect to the program established under this part.
development; development of widely accepted smart-grid standards and protocols; the relationship of smart-grid technologies and practices to electric utility regulation; the relationship of smart-grid technologies and practices to infrastructure development, system reliability and security; and the relationship of smart-grid technologies and practices to electric utility system performance, power flow control, and reliability.

The Smart Grid Task Force shall collaborate with the Smart Grid Advisory Committee and other Federal agencies and offices. The Smart Grid Task Force shall meet at the call of its Director as necessary to accomplish its mission.

Section 1304. Smart Grid Technology Research, Development, and Demonstration.

(a) Power Grid Digital Information Technology—The Secretary, in consultation with the Federal Energy Regulatory Commission and other appropriate agencies, electrical and technology standards and other stakeholders, shall carry out a program—

(1) to develop advanced techniques for measuring peak load reductions and energy-efficiency benefits from smart grid technologies, demand response, distributed generation, and storage to provide ancillary services;

(2) to investigate means for demand response, distributed generation, and storage to provide ancillary services;

(3) to conduct research to advance the use of wide-area measurement and control networks for balancing at all levels of distribution, advanced computing, and secure and dependable communications in a highly-distributed environment;

(4) to test new reliability technologies, including those concerning communications network capabilities, in a grid control room environment against a representative set of local outage and wide area blackout scenarios;

(5) to identify communications network capacity needed to implement advanced technologies.

(b) Smart Grid Regional Demonstration Initiative—

(1) In General.—The Secretary shall establish a smart grid regional demonstration initiative (referred to in this subsection as the “Initiative”) composed of demonstration projects specifically focused on advanced technologies and practices in power grid sensing, communications, analysis, and power flow control. The Secretary shall seek to leverage existing smart grid deployments.

(2) Goals.—The goals of the Initiative shall be—

(A) to demonstrate the potential benefits of concentrated investments in advanced grid technologies and practices to infrastructure development, system reliability and security; and the relationship of smart-grid technologies and practices to electric utility system performance, power flow control, and reliability;

(B) to demonstrate protocols and standards that allow for the measurement and validation of emission reductions and fuel savings associated with the installation and use of energy efficiency and demand response technologies and practices; and

(C) to investigate differences in each region and regulatory environment regarding best practices in implementing smart grid technologies.

(c) Demonstration Projects.—

(1) In General.—In carrying out the initiative, the Secretary shall carry out smart grid demonstration projects in up to 5 electricity control areas, including rural areas and at least 1 area in which the majority of generation and transmission assets are controlled by a tax-exempt entity.

(2) Cooperation.—A demonstration project under subparagraph (A) shall be carried out in cooperation with the electric utility that owns the grid facilities in the electricity control area in which the demonstration project is carried out.

(d) Federal Share of Technology Investments.—In carrying out the Initiative, the Secretary shall provide to an electric utility described in subparagraph (B) financial assistance for use in paying an amount equal to not more than 50 percent of the cost of advanced grid technology investments made by the electric utility to carry out a demonstration project.

(e) Ineligibility for Grants.—No person or entity party to a demonstration project conducted under this subsection shall be eligible for grants under section 1306 for otherwise qualifying investments made as part of that demonstration project.

(f) Authorization of Appropriations.—There are authorized to be appropriated—

(1) to carry out subsection (a), such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) to carry out subsection (b), \$100,000,000 for each of fiscal years 2008 through 2012.

Section 1305. Smart Grid Interoperability Framework.

(a) Interoperability Framework.—The Director shall propose standards and model standards for information management to achieve interoperability of smart grid devices and systems. Such protocols and standards shall further align policy, business, and technology approaches in a manner that would enable all electric resources, including demand-side resources, to contribute to an efficient electricity network.

(b) Authorization.—There are authorized to be appropriated—

(1) to carry out subsection (a), such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) to carry out subsection (b), \$100,000,000 for each of fiscal years 2008 through 2012.

Section 1306. Federal Matching Fund for Smart Grid Investment Costs.

(a) Matching Fund.—The Secretary shall establish the Smart Grid Investment Grant Program to provide reimbursement of one-fifth (20 percent) of qualifying Smart Grid investments.

(b) Qualifying Investments.—Qualifying Smart Grid investments may include any of the following made on or after the date of enactment of this Act:

(1) In the case of appliances covered for purposes of establishing and implementing standards under part B of title III of the Energy Policy and Conservation Act of 1975 (42 U.S.C. 6291 et seq.), the documented expenditures incurred by a manufacturer of such appliances associated with purchasing or designing, creating the ability to manufacture, and manufacturing and installing for one or more customers manufactured smart electric appliances and equipment for homes and businesses that enable customers, at their election and consistent with applicable State and Federal laws, and are manufactured with the ability to respond to electric grid emergencies and demand response signals by curtailing all, or a portion of, the electricity that is being delivered to the appliances or equipment in response to an emergency or demand response signal, including through—

(A) load reduction to reduce total electric demand;

(B) adjustment of load to provide grid ancillary services; and

(C) event of a reliability crisis that threatens an outage, short-term load shedding to help preserve the stability of the grid; and

(2) if the voluntary standards that incorporate these requirements should be developed that are in force and commonly accepted within one year after enactment, such standards.

Section 1307. Standards for Interoperability in Federal Jurisdiction.

(a) Interoperability Standards.—At any time after the Institute’s work has led to sufficient consensus in the Commission’s judgment, the Commission shall institute a rulemaking proceeding to adopt such standards and protocols as may be necessary to assure interoperability in the transmission of electric power, and regional and wholesale electricity markets.

(b) Authorization.—There are authorized to be appropriated—

(1) to carry out subsection (a), such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) to carry out subsection (b), \$100,000,000 for each of fiscal years 2008 through 2012.
(2) In the case of specialized electricity-using equipment, including motors and drivers, installed in industrial or commercial applications, the documented expenditures incurred by the owner or its manufacturer of installing devices or modifying that equipment to engage in Smart Grid functions.

(3) In the case of transmission and distribution devices and communications devices to enable smart grid functions, the documented expenditures incurred by the electric utility to purchase and install such monitoring and communications devices.

(4) In the case of metering devices, sensors, control devices, and other devices integrated with an electric utility system or retail distributor or marketer of electricity that are capable of engaging in Smart Grid functions, the documented expenditures incurred by the electric utility to purchase and install such devices.

(5) In the case of software that enables devices or computers to engage in Smart Grid functions, the documented purchase costs of the software.

(6) In the case of entities that operate or coordinate regional electric grids, the documented expenditures for purchasing and installing such equipment that allows Smart Grid functions to operate and be compatible among multiple electric utilities and between that region and other regions.

(7) In the case of persons or entities other than electric utilities owning and operating a distributed electricity generator, the documented expenditures of enabling that generator to be monitored, controlled, or otherwise used to enhance grid operations and electricity flows on the grid utilizing Smart Grid functions.

(8) In the case of electric or hybrid-electric vehicles, the documented expenses for devices that allow the vehicle to engage in Smart Grid functions (but not the costs of electricity storage for the vehicle).

(9) The documented expenditures related to purchasing and implementing Smart Grid functions in such other cases as the Secretary shall identify. In making such grants, the Secretary shall take into consideration the impact of early adoption, even if success is not complete, rather than deployment of proven and commercially viable technologies.

(c) INVESTMENTS NOT INCLUDED.—Qualifying Smart Grid investments do not include any of the following:

(A) General expenditures for Smart Grid technologies, devices, or equipment that are eligible for specific tax credits or deductions under the Internal Revenue Code, as amended.

(B) Expenditures for electricity generation, transmission, or distribution infrastructure or equipment not directly related to enabling Smart Grid functions.

(C) After the final date for State consideration of the Smart Grid Information Standard under section 1307 (paragraph (17) of section 111(d) of the Public Utility Regulatory Policies Act of 1978), an investment that is not in compliance with such standards.

(D) After the development and publication by the Institute of protocols and model standards for interoperability of smart grid devices and technologies, an investment that fails to incorporate any of such protocols or models to the extent practicable.

(E) Expenditures for physical interconnection of generators or other devices to the grid except those that are directly related to enabling Smart Grid functions.

(F) Expenditures for ongoing salaries, benefits, or personnel costs not incurred in the initial installation, training, or start up of smart grid functions.

(G) Expenditures for travel, lodging, meals or other personal costs.

(H) Ongoing routine operation, billing, customer relations, security, and maintenance expenditures.

(I) Such other expenditures as the Secretary may identify as being necessary or useful to enable automatic protective responses to disturbances or changes in power flows on the grid or report that information by digital means.

The ability to sense and localize disruptions or changes in power flows on the grid and communicate such information instantaneously and automatically for purposes of enabling automatic protective responses to sustain reliability and security of grid operations.

The ability to detect, prevent, communicate with regard to, respond to, or recover from system security threats, including cyber-security threats and terrorism, using digital information, media, and devices.

The ability of any appliance or machine to respond to such signals, measurements, or communications automatically or in a manner programmed by its owner or operator without independent human intervention.

The ability to use digital information to operate functions of the electric utility grid that were previously electro-mechanical or manual.

The ability to use digital controls to manage and modify electricity demand, enable congestion management, assist in voltage control, provide operating reserves, and provide frequency regulation.

Such other functions as the Secretary may identify as being necessary or useful to the operation of a Smart Grid.

(e) The Secretary shall:

(1) establish and publish in the Federal Register, within one year after the enactment of this Act procedures by which applicants for grants made to carry out qualifying Smart Grid Investments may seek and obtain reimbursement of one-fifth of their documented expenditures;

(2) establish procedures to ensure that there is no duplication or multiple reimbursement for the same investment or costs, that the reimbursement goes to the party that has borne the bulk of the cost of Qualifying Smart Grid Investments, and that the grants made have significant effect in encouraging and facilitating the development of a smart grid;

(3) maintain public records of reimbursements made, recipients, and Qualifying Smart Grid investments which have received reimbursements, and publicize such information to interested persons.

(f) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary such sums as are necessary for the administration of this section and the grants to be made pursuant to this section for fiscal years 2008 through 2012.

SEC. 1307. STATE CONSIDERATION OF SMART GRID.

(a) 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:

(16) CONSIDERATION OF SMART GRID INVESTMENTS.—

(A) IN GENERAL.—Each State shall consider requiring that, prior to undertaking investments in nonadvanced grid technologies, an applicant demonstrate to the State that the electric utility considered an investment in a qualified smart grid system based on appropriate factors, including:

(i) total costs;

(ii) cost-effectiveness;

(iii) improved reliability;

(iv) security;

(v) system performance; and

(vi) societal benefit.

(B) RATE RECOVERY.—Each State shall consider authorizing each electric utility of the State to recover from ratepayers any capital, operating expenditure, or other costs associated with the electric utility relating to the deployment of a qualified smart grid system, including a reasonable rate of return on the capital expenditures of the electric utility for the deployment of the qualified smart grid system.

(C) OBSOLETE EQUIPMENT.—Each State shall consider authorizing any electric utility relating to the deployment of a qualified smart grid system to recover in a timely manner the remaining book-value costs of any equipment rendered obsolete by the deployment of the qualified smart grid system, based on the remaining depreciable life of the obsolete equipment.

(T) SMART GRID INFORMATION.—

(A) STANDARD.—Electricity purchasers shall be provided direct access, in written or electronic machine-readable form as appropriate, to information from their electricity provider as provided in subparagraph (B).

(B) INFORMATION.—Information provided under this section, to the extent practicable, shall include:

(i) time-based electricity prices in the wholesale electric market, on an hourly basis, shall include hourly price and use information to the extent available.

(ii) time-based electricity retail prices or rates that are available to the purchasers.

(iii) USAGE.—Purchasers shall be provided with the number of electricity units, expressed in kwh, purchased by them.

(iv) SOURCES.—Purchasers and other interested persons shall be provided annually with a day-ahead projection of such price information on an hourly basis.
with written information on the sources of the power provided by the utility, to the extent it can be determined, by type of generation, including greenhouse gas emissions associated with each type of generation, for intervals during which such information is available on a cost-effective basis.

(C) Access.—Purchasers shall be able to access information at a time and at a location that is convenient for the purchaser through the Internet and on other means of communication elected by that utility for Smart Grid applications. Other interested persons shall also be able to access information not specific to any purchaser through the Internet. Information specific to any purchaser shall be provided solely to that purchaser.

(b) Compliance.—

(1) Timelines.—Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding the following at the end thereof:

“(6)(A) Not later than 1 year 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 utility shall commence the consideration referred to in section 112(d)(1) before the starting date for consideration, with respect to the standards established by paragraphs (17) through (18) of section 111(d).

“(B) Not later than 2 years after the date of the enactment of the this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility, shall complete the determination, referred to in section 111(d) with respect to each standard established by paragraphs (17) through (18) 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 the following at the end:

“In the case of the standards established by paragraphs (16) through (19) of section 111(d), the reference contained in this subsection to the date of enactment of this Act shall be deemed to be a reference to the date of enactment of such paragraphs.”

(3) Prior State Actions.—Section 112(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(d)) is amended by inserting “and at paragraphs (17) through (18)” before “of section 111(d)”.

SEC. 1308. STUDY OF THE EFFECT OF PRIVATE WIRELESS NETWORKS ON THE Deployment OF COMBINED HEAT AND POWER FACILITIES.

(a) Study.—

(1) In general.—The Secretary, in consultation with the States and other appropriate entities, shall conduct a study of the laws (including regulations) affecting the siting of privately owned electric distribution wires on and across public rights-of-way.

(b) Requirements.—The study under paragraph (a) shall include—

(1) an evaluation of—

(i) the purposes of the laws; and

(ii) the effects of the laws on the development of combined heat and power facilities;

(2) a determination of whether a change in the laws would have any operating, reliability, or other impacts on electric utilities and the customers of the electric utilities; and

(c) an assessment of—

(i) whether privately owned electric distribution wires would result in duplicative facilities; and

(ii) whether duplicative facilities are necessary to provide adequate service.

(b) Report.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).

SEC. 1309. DOVE STUDY OF SECURITY ATTRIBUTES OF SMART GRID SYSTEMS.

(a) DOE Study.—The Secretary shall, within 18 months after the date of enactment of this Act, submit a report to Congress that discusses the provision and deployment, and determination of the existing and potential impacts of the deployment of Smart Grid systems on improving the security of the Nation’s electric infrastructure and information security capability, and how such smart grid systems can help in making the Nation’s electricity system less vulnerable to disruptions due to intentional acts against the system.

(b) Consultation.—The Secretary shall consult with the Federal Energy Regulatory Commission, the Electric Reliability Organization, the Electric Reliability Organization certified by the Commission under section 215(c) of the Federal Power Act (16 U.S.C. 824o) as added by section 1211 of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 941).

TITLE XIV—POOL AND SPA SAFETY

SEC. 1401. SMART GRID.

This title may be cited as the “Virginia Graeme Baker Pool and Spa Safety Act”.

SEC. 1402. FINDINGS.

Congress finds the following:

(1) Of injury-related deaths, drowning is the second leading cause of death in children aged 1 to 14 in the United States.

(2) In 2004, 761 children aged 14 and under died as a result of unintentional drowning.

(3) Adult supervision at all aquatic venues described in subclauses (I) through (V) of this section, including out-of-doors located to the Secretary of Homeland Security, the Federal Energy Regulatory Commission, and the Electric Reliability Organization certified by the Commission under section 215(c) of the Federal Power Act (16 U.S.C. 824o) as added by section 1211 of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 941).

(4) Research studies show that the installation and proper use of barriers or fencing, as described in subclauses (I) through (V) of this section, substantially reduce the number of child drownings.

(5) The term “barrier” includes a natural or constructed topographical feature that prevents unpermitted access by children to a swimming pool, and, with respect to a hot tub, a lockable cover.


V. AUTOMATIC PUMP SHUT-OFF SYSTEM.


SEC. 1403. DRAIN COVER STANDARDS.

(a) Consumer Product Safety Rule.—The requirements described in paragraph (b) shall be treated as a consumer product safety rule issued by the Consumer Product Safety Commission under the Consumer Product Safety Rulemaking Act of 1973.

(b) Drain Cover Standard.—Effective 1 year after the date of enactment of this title, each public pool and spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.

(c) Required Equipment.—

(1) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa in the United States shall be equipped with anti-entrapment devices or systems that comply with the ASME/ANSI A112.19.8 performance standard and any successor standards,

(2) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.

(d) Public Pool and Spa.—

(1) Required Equipment.—

(A) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standards.


(II) Suction-Limiting Vent System.—A suction-limiting vent system with a tamper-resistant atmospheric opening.

(III) Gravity Drainage System.—A gravity drainage system that utilizes a collector tank.

(IV) Automatic Pump Shut-Off System.—An automatic pump shut-off system.

(V) Drain Displacement.—A device or system that defeats the drain.


(1) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa shall be equipped with anti-entrapment devices or systems that comply with the ASME/ANSI A112.19.8 performance standard and any successor standards.

(2) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa shall be equipped with anti-entrapment devices or systems that comply with the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.

(3) In general.—Beginning 1 year after the date of enactment of this title, each public pool and spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating such swimming pool or drain cover.
(i) members of an organization and their guests;
(ii) residents of a multi-unit apartment building, apartment complex, residential real estate, or other multifamily residential area (other than a municipality, township, or other local government jurisdiction); or
(iii) employees of a hotel or other public accommodations facility; or
(C) operated by the Federal Government (or by a concessionaire on behalf of the Federal Government) for the benefit of members of the Armed Forces and their dependents or employees of any department or agency and their dependents.

3. Notwithstanding.—Violation of paragraph (1) shall be considered to be a violation of section 19(a)(1) of the Consumer Product Safety Act (15 U.S.C. 2068(a)(1)) and may also be prosecuted under section 17 of that Act (15 U.S.C. 2066).

SEC. 1405. STATE SWIMMING POOL SAFETY GRANT PROGRAM.

(a) IN GENERAL.—Subject to the availability of appropriations authorized by subsection (e), the Commission shall establish a grant program to provide assistance to eligible States.

(b) ELIGIBILITY.—To be eligible for a grant under the program, a State shall—
(1) demonstrate to the satisfaction of the Commission that it has a State statute, or that, after the date of enactment of this title, it has enacted a statute, or amended an existing statute, that provides for the enforcement of, a law that—
(A) except as provided in section 1406(a)(1)(A)(i), applies to all swimming pools in the State;

(b) meets the minimum State law requirements of section 1406; and

(2) submit an application to the Commission in such form, in such manner, and containing such additional information as the Commission may require.

(c) AMOUNT OF GRANT.—The Commission shall determine the amount of a grant awarded under this title, and shall consider—
(1) the population and relative enforcement needs of each qualifying State; and

(2) allocation of grant funds in a manner designed to provide the maximum benefit from the program in terms of protecting children from death or entrapment, in making that allocation, shall give priority to States that have not received a grant under this title in a preceding fiscal year;

(d) USE OF GRANT FUNDS.—A State receiving a grant under this section shall use—
(1) at least 50 percent of amounts made available to hire and train enforcement personnel for implementation and enforcement of standards under the State swimming pool and spa safety law and

(2) the remainder—(A) to educate pool construction and installation companies and pool service companies about the standards;

(B) to educate pool owners, pool operators, and other members of the public about the standards under the swimming pool and spa safety law and about the prevention of drowning and entrapment of children using swimming pools and spas; and

(C) to defray administrative costs associated with such training and education programs.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission for each of fiscal years 2009 and 2010 $2,000,000 to carry out this section, such sums to remain available until expended. Any amounts appropriated pursuant to this section that remain unexpended and unobligated at the end of fiscal year 2010 shall be retained by the Commission and credited to the appropriations account that funds enforcement of the Consumer Product Safety Act.

SEC. 1406. MINIMUM STATE LAW REQUIREMENTS.

(a) IN GENERAL.—(1) SAFETY STANDARDS.—A State meets the minimum State law requirements of this section if—
(A) the State requires by statute—
(i) the enclosure of all outdoor residential pools and spas by barriers to entry that will effectively prevent small children from gaining unsupervised and unattended access to the pool or spa;

(ii) that all pools and spas be equipped with devices and systems to prevent entrapment by pool or spa drains;

(iii) that pools and spas built more than 1 year after the date of the enactment of such statute have—
(I) more than 1 drain;

(II) 1 or more unblockable drains; or

(III) no main drain;

(iv) every swimming pool and spa that has a main drain, other than an unblockable drain, be equipped with a drain cover that meets the consumer product safety standard established by section 1404; and

(v) that periodic notification is provided to owners of residential swimming pools or spas about compliance with the entrapment prevention regulation prescribed in the Federal Register under section 1121.19 or the ANSI/A112.19.8 performance standard, or any successor standard; and

(B) the State meets such additional State law requirements as the Commission may establish after public notice and a 30-day public comment period.

(2) NO LIABILITY INFRINGEMENT ASSOCIATED WITH SAFETY NOTICIFICATION REQUIREMENTS.—Nothing in this section or any other provision of this title or other provision of the Internal Revenue Tax Act of 2007 or other provision of the Internal Revenue Code of 1986, or other provision of the Code, shall prevent the Commission from promulgating standards regulating pool and spa safety or from relying on an applicable national performance standard.

(b) BASIC ACCESS-RELATED SAFETY DEVICES AND EQUIPMENT REQUIREMENTS TO BE CONSIDERED.—In establishing minimum State law requirements for swimming pools and spas under subsection (a)(1), the Commission shall consider requirements—
(1) COVERS.—A safety pool cover.

(2) GATES.—A gate with direct access to the swimming pool or spa that is equipped with a self-closing self-latching device.

(3) DOORS.—Any door with direct access to the swimming pool or spa that is equipped with an audible alert device or alarm which sounds when the door is opened.

(4) POOL ALERT.—A device designed to provide rapid detection of an entry into the water of a swimming pool or spa.

(5) ENTRAPMENT, ENTANGLEMENT, AND EVISCERATION PREVENTION STANDARDS TO BE REQUIRED.—In establishing minimum State law requirements for swimming pools and spas under subsection (a)(1), the Commission shall consider requirements—
(A) the State requires by statute—
(i) the State requires by statute—
(ii) that pool or spa drainage systems.

(b) AUTORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission for each of the fiscal years 2009 through 2012 $5,000,000 to carry out the education program authorized by subsection (a).

SEC. 1408. CPSC REPORT.

Not later than 1 year after the last day of each fiscal year for which grants are made under section 1405, the Commission shall submit to Congress a report evaluating the implementation of the grant program authorized by that section.

TITLE XV—CLEAN RENEWABLE ENERGY AND CONSERVATION TAX ACT OF 2007

SEC. 1500. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the “Clean Renewable Energy and Conservation Tax Act of 2007”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in the 1986 Code an amendment 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 of the other provision of the Internal Revenue Code of 1986.

Subtitle A—Clean Renewable Energy Production Incentives

 PART I—PROVISIONS RELATING TO RENEWABLE ENERGY

SEC. 1501. EXTENSION AND MODIFICATION OF RENEWABLE ELECTRICITY AND REFINED COAL PRODUCTION CREDIT.

(a) EXTENSION.—(1) IN GENERAL.—Section 45(d) (relating to qualified facilities) is amended by striking “January 1, 2009” each place it appears in paragraphs (1), (2), (3), (5), (6), (7), (8), and (9) and inserting “January 1, 2011.”

(b) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(b) MODIFICATION OF REFINED COAL AS A QUALIFIED ENERGY RESOURCE.—(1) ELIMINATION OF INCREASED MARKET VALUE REQUIREMENT.—Section 45C(7)(A) (defining refined coal) is amended by striking clause (iv),
(B) by adding “and” at the end of clause (1), and
(C) by striking “and” at the end of clause (2) and inserting a period.

(2) SECURED ELECTRICITY PROPERTY.—Section 45(c)(7)(B) (defining qualified emission reduction facility) is amended by inserting “at least 40 percent of the emissions of” after “electricity produced during” and “thereof.”

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to coal produced and sold after December 31, 2007.

(c) FOR ON-SITE USE OF ELECTRICITY PRODUCED FROM BIOMASS.—

(1) ON-SITE USE.—Section 45(e) (relating to definitions and special rules) is amended by adding at the end the following new paragraph: ‘‘(12) CREDIT ALLOWED FOR ON-SITE USE OF ELECTRICITY PRODUCED FROM BIOMASS.—In the case of electricity produced after December 31, 2007, at any facility described in paragraph (2) or (3) which is equipped with net metering to determine electricity consumption or sale (such consumption or sale to be verified by a third party as determined by the Secretary), subsection (a)(2) shall be applied without regard to subparagraph (B) thereof.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(d) RESOURCES.—WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—

(1) IN GENERAL.—Section 48(a)(1) (defining qualified energy resources) is amended by striking “and” at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting “, and,” and by adding at the end the following new subparagraph:

‘‘(I) wave, current, tidal, and ocean thermal energy;’’

(2) SECTION OF RESOURCES.—Section 48(c) is amended by adding at the end the following new paragraph:

‘‘(12) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—The term ‘wave, current, tidal, and ocean thermal energy’ means electric energy produced from any of the following:

(A) Free flowing ocean water derived from tidal and ocean currents, waves, or estuaries currents.

(B) Ocean thermal energy.’’

(3) FACILITIES.—Section 48(d) is amended by adding at the end the following new paragraph:

‘‘(12) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL FACILITY.—In the case of a facility using resources described in subparagraph (A), (B), or (C) of subsection (c)(10) to produce electricity, the term ‘qualified facility’ means any facility owned by the taxpayer which is originally placed in service after the date of the enactment of this paragraph and before January 1, 2011, but such term shall not include any facility which includes an upwind structure or a small irrigation power facility.’’

(4) CREDIT RATE.—Section 48(b)(4)(A) (relating to credit rate) is amended by striking “or 20” and inserting “or 20 percent”.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(e) TRASH FACILITY CLARIFICATION.—

(1) IN GENERAL.—Paragraph (7) of section 45(d) is amended—

(A) by striking “facility which burns and inserting ‘‘and’’ in clause (9), or (11)”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to electricity produced and sold before, on, or after December 31, 2007.

SEC. 1502. EXTENSION AND MODIFICATION OF ENERGY CREDIT.

(a) EXTENSION OF CREDIT.—

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

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

(b) ALLOWANCE OF ENERGY CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) (relating to specified credits) is amended by striking “and” at the end of clause (iii), by striking the period at the end of clause (iv) and inserting “, and”, and by adding at the end the following new clause:

‘‘(iv) the credit determined under section 48 to the extent that such credit is attributable to the energy credit determined under section 48.”

(c) ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.—

(1) IN GENERAL.—Section 48(a)(3)(A) (defining energy property) is amended by striking “or” at the end of clause (ii), by inserting “or” at the end of clause (iv), and by adding at the end the following new clause:

‘‘(v) combined heat and power system property.’’

(2) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Section 48 (relating to energy property) is amended by striking “5 megawatts” and inserting “15 megawatts”.

(d) INCREASE OF CREDIT LIMITATION FOR FUEL CELL PROPERTY.—Subparagraph (B) of section 48(c)(1) is amended by striking “$500” and inserting “$1,500”.

(e) PUBLIC ELECTRIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—

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

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 48(b) is amended by striking “or” and inserting “or”.

(B) Paragraph (2) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(C) Paragraph (1) of section 48(d) is amended by striking “$1,500” and inserting “$3,000”.

(D) Paragraph (2) of section 48(h) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(f) CLERICAL AMENDMENTS.—Paragraphs (1)(B) and (2)(B) of section 48(c) are each amended by striking “paragraph (1)” and inserting “subsection (a)”.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ALTERNATIVE MINIMUM TAX.—The amendments made by this section shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(h) VIOLATION OF SPECIAL RULES.—

(1) IN GENERAL.—The term ‘combined heat and power system property’ shall not include any property comprising a system if such system has a capacity in excess of 67,000 horsepower or a thermal energy capacity in excess of 67,000 megawatts or an equivalent combination of electrical and mechanical energy capacities.

(2) SPECIAL RULES.—

(A) ENERGY EFFICIENCY PERCENTAGE.—For purposes of this subsection, the energy efficiency percentage of a system is the fraction with—

(i) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operational rates, and expected to be consumed in its normal application, and

(ii) the denominator of which is the lower heating value of the fuel sources for the system.

(B) DETERMINATIONS MADE ON BTU BASIS.—

The energy efficiency percentage and the percentages under paragraph (1)(B) shall be determined on a Btu basis.

(C) INPUT AND OUTPUT PROPERTY NOT INCLUDED.—The term ‘combined heat and power system property’ does not include any property used to transfer energy from the facility to or distribute energy produced by the facility.

(3) SYSTEMS USING BIOMASS.—If a system is required to use biomass within the meaning of paragraphs (2) and (3) of section 45(c) without regard to the last sentence of paragraph (9)(A) for at least 50 percent of the energy input—

(A) paragraph (1)(C) shall not apply, but

(B) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this paragraph) as the energy efficiency percentage of such system bears to 50 percent.

(d) INCREASE OF CREDIT LIMITATION FOR FUEL CELL PROPERTY.—Subparagraph (B) of section 48(c)(1) is amended by striking “$500” and inserting “$1,500”.

(e) PUBLIC ELECTRIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—

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

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 48(b) is amended by striking “or” and inserting “or”.

(B) Paragraph (2) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(C) Paragraph (1) of section 48(d) is amended by striking “$1,500” and inserting “$3,000”.

(D) Paragraph (2) of section 48(h) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(f) CLERICAL AMENDMENTS.—Paragraphs (1)(B) and (2)(B) of section 48(c) are each amended by striking “paragraph (1)” and inserting “subsection (a)”.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ALTERNATIVE MINIMUM TAX.—The amendments made by this subsection shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(3) COMBINED HEAT AND POWER AND FUEL CELL PROPERTY.—The amendments made by subsections (c) and (d) shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, unless applicable and to those periods otherwise than 20,000 megawatts or an equivalent combination of electrical and mechanical energy capacities.

(4) Public electric utility property.—The amendments made by subsection (e) shall apply to periods after June 30, 2007, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 1505. EXTENSION AND MODIFICATION OF CREDIT FOR QUALIFIED SMALL WIND ENERGY EFFICIENT PROPERTY.

(a) Extension.—Section 25D(d) (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2014”.

(b) Maximum Credit for Solar Electric Property.—In the case of—

(1) in general.—Section 25D(b)(1)(A) (relating to maximum credit) is amended by striking “$2,000” and inserting “$4,000”.

(2) Conforming Amendments.—Section 25D(b)(4)(A)(i) is amended by striking “$6,667” and inserting “$13,334”.

(c) Credit for Residential Wind Property.—

(1) in general.—Section 25D(a) (relating to allowance of credit) 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) 30 percent of the qualified small wind energy property expenditures made by the taxpayer during such year.”

(2) Limitation.—Section 25D(b)(1) (relating to maximum credit) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “and”, and by adding at the end the following new subparagraph:

“(D) $500 with respect to each half kilowatt of capacity (not to exceed $4,000) of wind turbines for which qualified small wind energy property expenditures are made.”

(3) Qualified Small Wind Energy Property Expenditures.—

(A) in general.—Section 25D(d) (relating to definitions) is amended by adding at the end the following new paragraph:

“(4) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURES.—The term ‘qualified small wind energy property expenditures’ means—

(i) any expenditures for property which uses a wind turbine to generate electricity for use in connection with a dwelling unit located in the United States and used as a residence during such year;

(ii) any expenditures for property installed by a cooperative, a public utility, a public local authority, a public agency, or a State department, agency, or authority;

(iii) any expenditures for property installed with assistance from a Federal agency or a State government agency or department; and

(iv) any expenditures for property installed by—

(A) a wind power producer (as defined in section 26(b)); or

(B) a wind power producer (as defined in section 26(b)), with respect to property installed after December 31, 2007, that is installed by the wind power producer on property located outside the United States, if the producer is a person that, as of the date of such property, owns or leases, and is vertically integrated with, a wind power producer that—

(i) produces electricity for sale to persons other than employees of such wind power producer;

(ii) is vertically integrated with such wind power producer; and

(iii) is not a related party of such wind power producer.

The term ‘qualified small wind energy property expenditures’ includes—

(A) the excess of the qualified small wind energy property expenditures for the taxable year over the maximum credit allowable under section (a) for such taxable year; and

(B) the excess of the qualified small wind energy property expenditures for the taxable year over the credit allowable under subsection (a) for such taxable year (other than this section), and section 27 for the taxable year.

(2) Carryforward of Unused Credit.—

(A) Rule of Construction.—The excess of the qualified small wind energy property expenditures for the taxable year over the maximum credit allowable under this subpart (other than this section) and section 27 for the taxable year.

(B) Rule for Other Years.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowed under subsection (a) is limited by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

(3) Maximum Expenditures in Case of Joint Occupancy.—Section 25D(e)(4)(B) is amended by striking “$2,000” and inserting “$4,000”.

(4) Qualification.

(a) in general.—Section 25D(e)(4)(A) (relating to qualified small wind energy property expenditures) is amended by striking “$2,000” and inserting “$4,000”.

(b) Conforming Amendments.—

(1) in general.—Section 25D(e)(4)(A) is amended by striking “$6,667” and inserting “$13,334”.

(2) Conforming Amendments.—

(1) in general.—Section 25D(e)(4)(A) is amended by striking “$6,667” and inserting “$13,334”.

(3) Amended by striking “$2,000” and inserting “$4,000”.

(v) $1,667 in the case of each half kilowatt of capacity (not to exceed $13,333) of wind turbines for which qualified small wind energy property expenditures are made, and

(d) Credit Allowed Against Alternative Minimum Tax.—

(1) in general.—Subsection (c) of section 25D is amended as follows:

“(2) Limitation Based on Amount of Tax—Carryforward of Unused Credit.—

“(1) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for the taxable year shall not exceed such credit as allowed under section 27 for the taxable year.

“(2) AVERAGE the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(3) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowed under subsection (a) is limited by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

“(4) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowed under subsection (a) is limited by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

“(5) Maximum Expenditures in Case of Joint Occupancy.—Section 25D(e)(4)(B) is amended by striking “$2,000” and inserting “$4,000”.

“(6) Qualification.

(a) in general.—Section 25D(e)(4)(A) (relating to qualified small wind energy property expenditures) means a person that, as of the date of the qualifying transaction, is vertically integrated in that it is both—

“(A) a transmitting utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23)) with respect to the transmission facilities to which the election under this subsection applies, and

“(B) an electric utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23))).

(b) Extension of Period for Transfer of Operational Control. Authorized by FERC.—Clause (ii) of section 451(i)(4)(B) is amended by striking “December 31, 2007” and inserting “the date which is 4 years after the close of the taxable year in which the transaction occurs”.

(c) Property Located Outside the United States Not Treated as Exempt Utility Property.—Paragraph (5) of section 451(i) is amended by adding at the end the following new subparagraph:

“(C) Exception for Property Located Outside the United States.—The term ‘exempt utility property’ shall not include any property which is located outside the United States.

(d) Effective Dates.—

(1) Extension.—The amendments made by subsection (a) shall apply to taxable years after December 31, 2007.

(2) Transfers of Operational Control.—The amendments made by subsection (b) shall take effect as if included in section 909 of the American Jobs Creation Act of 2004.

(3) Exception for Property Located Outside the United States.—The amendments made by subsection (c) shall apply to transfers after the date of the enactment of this Act.

SEC. 1505. NEW CLEAN RENEWABLE ENERGY TAX BONDS.

(a) In General.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new subpart:

“SUBPART I—QUALIFIED TAX CREDIT BONDS

“Sec. 54A. Credit to holders of qualified tax credit bonds.

“Sec. 54B. New clean renewable energy tax credit bonds.

“SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.

(1) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified tax credit bond (as defined in section 54B) on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such day.

(b) Amount of Credit.—

“(1) in general.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit 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 qualified tax credit bond is the product of—

“(A) the applicable credit rate, multiplied by

“(B) the outstanding face amount of the bond.

“(3) Applicable Credit Rate.—For purposes of paragraph (2), the applicable credit rate is 70 percent of the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity date or denomination and by—

(A) disregarding any discount and without interest cost to the qualified issuer.

The applicable credit rate with respect to any qualified tax credit bond shall be determined in the same manner as if there is a binding, written contract for the sale or exchange of the bond.
“(4) Special rule for issuance and redemption.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit allowed under this section 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 the bond is redeemed or matures.

“(c) Limitation based on amount of tax.—

“(1) In general.—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 part C) and this subsection.

“(2) Carryover of unused credit.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for any taxable year, such excess shall be carried forward to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

“(d) Qualified tax credit bond.—For purposes of this section—

“(1) Qualified tax credit bond.—The term ‘qualified tax credit bond’ means a new clean renewable energy bond which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

“(2) Special rules relating to expenditures.—

(A) In general.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

“(B) Special rule for investments during expenditure period.—An issue shall not be treated as satisfying the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

“(C) Special rule for reserve funds.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

(i) such fund is funded at a rate not more rapid than equal annual installments,

(ii) such fund is funded in a manner reasonably expected to result in an amount not greater than an amount necessary to repay the issue, and

(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

“(5) Maturation limitation.—

(A) In general.—An issue shall be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue does not exceed the maximum term permitted under this section as if it were a stripped coupon.

“(B) 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 estimates 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 using the 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 so determined is a multiple of a whole year, such term shall be rounded to the next highest whole year.

“(6) Prohibition on financial conflicts of interest.—An issue shall be treated as meeting the requirements of this paragraph if the issuer certifies that—

(A) applicable State and local law requirements governing conflicts of interest are satisfied with respect to such issue, and

(B) if the Secretary prescribes additional conflict of interest rules governing the appropriate Members of Congress, Federal, State, and local officials, and their spouses, such additional rules are satisfied with respect to such issue.

“(e) Other definitions.—For purposes of this section—

“(1) Credit allowance date.—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.

“(f) Credit treated as interest.—For purposes of this title, the credit determined under subsection (a) shall be treated as interest which is includable in gross income for purposes of this subtitle.

“(g) Corporations and partnerships.—In the case of a corporation, the credit determined under subsection (a) shall be included in the gross income of the corporation or partnership under procedures prescribed by the Secretary.

“(h) Credits may be stripped.—Under regulations prescribed by the Secretary—

“(1) in general.—There may be a separation (including at issuance) of the ownership of a qualified tax credit bond and the entitlement to the credit under this section with respect to such bond. In the case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the right to the credit and not to the holder of the bond.

“(2) Certain rules to apply.—In the case of a separation described in paragraph (1), the rules of section 1226 shall apply to the qualified tax credit bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

“SEC. 54B. NEW CLEAN RENEWABLE ENERGY BONDS.

“(a) New clean renewable energy bond for purposes of this subpart, the term new clean renewable energy bond means any bond issued as part of an issue if—

“(1) 100 percent of the available project proceeds of such issue are to be used for capital expenditures incurred by public power providers, governmental bodies, or cooperative electric companies for one or more qualified renewable energy facilities,

“(2) the bond is issued by a qualified issuer, and

“(3) the issuer designates such bond for purposes of this section.

“(b) Limitation on amount of bonds designated.—

“(1) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer

“(2) due diligence.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit allowed under this section 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 the bond is redeemed or matures.

“(c) Limitation based on amount of tax.—

“(1) In general.—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 part C) and this subsection.

“(2) Carryover of unused credit.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for any taxable year, such excess shall be carried forward to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

“(d) Qualified tax credit bond.—For purposes of this section—

“(1) Qualified tax credit bond.—The term qualified tax credit bond means a new clean renewable energy bond which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

“(2) Special rules relating to expenditures.—

(A) In general.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

“(B) Special rule for investments during expenditure period.—An issue shall not be treated as satisfying the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

“(C) Special rule for reserve funds.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

(i) such fund is funded at a rate not more rapid than equal annual installments,

(ii) such fund is funded in a manner reasonably expected to result in an amount not greater than an amount necessary to repay the issue, and

(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

“(5) Maturation limitation.—

(A) In general.—An issue shall be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue does not exceed the maximum term permitted under this section as if it were a stripped coupon.

“(B) 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 estimates 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 using the 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 so determined is a multiple of a whole year, such term shall be rounded to the next highest whole year.

“(6) Prohibition on financial conflicts of interest.—An issue shall be treated as meeting the requirements of this paragraph if the issuer certifies that—

(A) applicable State and local law requirements governing conflicts of interest are satisfied with respect to such issue, and

(B) if the Secretary prescribes additional conflict of interest rules governing the appropriate Members of Congress, Federal, State, and local officials, and their spouses, such additional rules are satisfied with respect to such issue.

“(e) Other definitions.—For purposes of this section—

“(1) Credit allowance date.—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.

“(2) The term bond includes any obligation.

“(3) State.—The term ‘State’ includes the District of Columbia and any possession of the United States.

“(4) Available project proceeds.—The term available project proceeds means—

(A) the excess of—

(i) the proceeds from the sale of an issue, over

(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 5 percent of such proceeds), and

(B) the proceeds from any investment of the excess described in subparagraph (A).

“(C) Credit treated as interest.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includable in gross income for purposes of this subtitle.

“(g) Corporations and partnerships.—In the case of a corporation, the credit determined under subsection (a) shall be included in the gross income of the corporation or partnership under procedures prescribed by the Secretary.

“(h) Credits may be stripped.—Under regulations prescribed by the Secretary—

“(1) in general.—There may be a separation (including at issuance) of the ownership of a qualified tax credit bond and the entitlement to the credit under this section with respect to such bond. In the case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the right to the credit and not to the holder of the bond.

“(2) Certain rules to apply.—In the case of a separation described in paragraph (1), the rules of section 1226 shall apply to the qualified tax credit bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

“SEC. 54C. NEW CLEAN RENEWABLE ENERGY BONDS.

“(a) New clean renewable energy bond for purposes of this subpart, the term new clean renewable energy bond means any bond issued as part of an issue if—

“(1) 100 percent of the available project proceeds of such issue are to be used for capital expenditures incurred by public power providers, governmental bodies, or cooperative electric companies for one or more qualified renewable energy facilities,

“(2) the bond is issued by a qualified issuer, and

“(3) the issuer designates such bond for purposes of this section.

“(b) Limitation on amount of bonds designated.—

“(1) In general.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer
shall not exceed the limitation amount allocated under this subsection to such issuer.

"(2) NATIONAL LIMITATION ON AMOUNT OF BONDS DISBURSED.—There is a national new clean energy bond limitation of $2,200,000,000 which shall be allocated by the Secretary as provided in paragraph (3), except that—

"(A) not more than 33 1/3 percent thereof may be allocated to qualified projects of public power providers,

"(B) not more than 33 1/3 percent thereof may be allocated to qualified projects of governmental bodies, and

"(C) not more than 33 1/3 percent thereof may be allocated to qualified projects of cooperative electric companies.

"(3) METHOD OF ALLOCATION.—

"(A) ALLOCATION AMONG PUBLIC POWER PROVIDERS.—After the Secretary determines the qualified projects of public power providers which are appropriate for receiving an allocation of the national new clean renewable energy bond limitation, the Secretary shall, to the maximum extent practicable, make allocations among such projects in such manner that the amount allocated to each such project bears the same ratio to the cost of such project under paragraph (2)(A) bears to the cost of all such projects.

"(B) ALLOCATION AMONG GOVERNMENTAL BODIES AND COOPERATIVE ELECTRIC COMPANIES.—The Secretary shall make allocations of the amount of the national new clean renewable energy bond limitation described in paragraphs (2)(B) and (2)(C) among qualified projects of governmental bodies and cooperative electric companies, respectively, in such manner as the Secretary determines appropriate.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED RENEWABLE ENERGY FACILITY.—The term ‘qualified renewable energy facility’ means a facility (as determined under section 43(d) without regard to paragraphs (8) and (10) thereof and to any placed in service date) owned by a public power provider, a governmental body, or a cooperative electric company.

"(2) PUBLIC POWER PROVIDER.—The term ‘public power provider’ means a State or local governmental body with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of the enactment of this Act).

"(3) GOVERNMENTAL BODY.—The term ‘governmental body’ means any State or Indian tribal government, or any political subdivision thereof.

"(4) COOPERATIVE ELECTRIC COMPANY.—The term ‘cooperative electric company’ means a mutual or cooperative electric company described in section 302(c)(12) or section 1381(a)(2)(C).

"(5) CLEAN RENEWABLE ENERGY BOND LENDER.—The term ‘clean renewable energy bond lender’ means a governmental body, a cooperative electric company, a clean renewable energy bond lender, or a not-for-profit electric utility which has received a loan or loan guarantee under any applicable State loan program.

"(6) QUALIFIED ISSUER.—The term ‘qualified issuer’ means a public power provider, a governmental body, a cooperative electric company, a clean renewable energy bond lender, or a not-for-profit electric utility which has received a loan or loan guarantee under any applicable loan program.

"(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term ‘interest’ includes amounts includible in gross income under section 56A and such amounts shall be treated as paid at the closing of the last day of the period for which the return is filed under section 6049 (relating to returns regarding payments of interest) as defined in section 56A(o)(1).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of a qualified tax credit bond, in the case of any interest described in subparagraph (A), the Secretary shall provide that the amount reported to the Secretary under paragraph (4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or proper to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.

"(c) CONFORMING AMENDMENTS.—

"(1) Section 54(c)(2) and 14001(n)(3)(B) are each amended by striking ‘subpart C’ and inserting ‘subparts C and I’.

"(2) Section 1397E(c) is amended by striking ‘subpart H’ and inserting ‘subparts H and I’.

"(3) Section 601(b)(1) is amended by striking ‘and H’ and inserting ‘H and I’.

"(4) The heading of subpart H of part IV of subchapter A of chapter 1 is amended by striking ‘Clean Energy Bonds’ and inserting ‘Clean Renewable Energy Bonds’.

"(5) The table of subparts for part IV of subchapter A of chapter 1 is amended by striking the item relating to subpart H and inserting the following new items:

‘SUBPART H. NONREFUNDBLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

‘SUBPART I. QUALIFIED TAX CREDIT BONDS.’.

"(d) EFFECTIVE DATES.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

PART II—PROVISIONS RELATING TO CARBON MITIGATION AND COAL

SEC. 1506. EXPANSION AND MODIFICATION OF ADVANCED COAL PROJECT INVESTMENT CREDIT.

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48A(a) (relating to qualifying advanced coal project credit) is amended by striking ‘$800,000,000’ and inserting ‘$2,800,000,000’.

(b) EXPANSION OF AGGREGATE CREDITS.—Section 48A(d)(3)(A) (relating to aggregate credits) is amended by striking ‘$1,300,000,000’ and inserting ‘$2,800,000,000’.

(c) AUTHORIZATION OF ADDITIONAL PROJECTS.—

"(1) IN GENERAL.—Subparagraph (A)(3) of section 48A(d)(3)(B), as amended by paragraph (3)(B), is amended—

"(A) by striking ‘and’ at the end of clause (ii),

"(B) by redesignating clause (ii) as clause (iv), and

"(C) by inserting after clause (ii) the following new clause:

‘(iii) $800,000,000 for integrated gasification combined cycle projects the application for which is submitted during the period described in paragraph (2)(A)(i),’.

(d) MODIFICATION OF CREDIT MODIFICATION AUTHORITY.—In implementing this section or section 48B, the Secretary is
directed to modify the terms of any competitive certification award and any associated closing agreement where such modification—

(1) is consistent with the objectives of such section—or

(2) is requested by the recipient of the competitive certification award, and

(3) involves moving the project site to improve capture and sequester carbon dioxide emissions, reduce costs of transporting feedstock, and serve a broader customer base.

unless the Secretary determines that the dollar amount of tax credits available to the taxpayer under such section would increase as a result of the modification or such modification would result in such project not being in compliance with the application for such section after such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy.

Sec. 1505. EIGHT-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED CARBON DIOXIDE PIPELINE PROPERTY.

In general.—Section 168(h)(3)(C) (defining 7-year property) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

(v) any qualified carbon dioxide pipeline property—

(1) the original use of which commences with the taxpayer after the date of the enactment of this Act,

(II) which qualifies as property described in section 193(b)(1),

(III) is in favor of the coal producer or the party related to the coal producer, and

(IV) relates to the constitutionality of any tax paid on exported coal under section 421 of the Internal Revenue Code of 1986, and

unless the Secretary determines that the carbon dioxide does not escape into the atmosphere as a result of the modification or such modification would result in such project not complying with the application for such section after such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy.

Sec. 1506. SEVEN-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED CARBON DIOXIDE PIPELINE PROPERTY.

(a) IN GENERAL.—Section 168(h)(3)(C) of the Internal Revenue Code of 1986 and which are allocated or reallocated after the date of the enactment of this Act shall take effect on the date of the enactment of this Act.

(b) EFFECTIVE DATES.—(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property which is used in the United States solely for purposes of this paragraph entered into after the date of the enactment of this Act and is applicable to all competitive certification awards entered into under section 48A or 48B of the Internal Revenue Code of 1986, whether such awards were issued before, on, or after such date of enactment.

(2) COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.—The amendment made by this subsection shall take effect on the date of the enactment of this Act and is applicable to all competitive certification awards entered into under section 48A or 48B of the Internal Revenue Code of 1986, whether such awards were issued before, on, or after such date of enactment.

(3) TECHNICAL AMENDMENT.—The amendment made by subsection (a) of section 1307(b) of the Energy Tax Incen-

Sec. 1507. EXPANSION AND MODIFICATION OF COAL GASIFICATION INVESTMENT CREDIT.

(a) CREDIT RATE.—Section 48B(a) (relating to qualifying gasification project credit) is amended by inserting “30 percent in the case of credits allocated under subsection (d)(1)(B)” after “20 percent”.

(b) AGGREGATE CREDITS.—Section 48B(d)(1) (relating to qualifying gasification project program) is amended by striking “shall not exceed $350,000,000” and all that follows and inserting “shall not exceed—

(A) $350,000,000, plus

(B) $500,000,000 for qualifying gasification project programs that include equipment which separates and sequesters at least 75 percent of such a project’s total carbon dioxide emissions, under rules similar to the rules of section 48A(d)(4))

(c) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTRATE.—Section 48B (relating to qualifying gasification project credit) is amended by adding at the end the following new subsection:

“(1) RECAPPTURE OF CREDIT FOR FAILURE TO SEQUESTRATE.—The Secretary shall provide for recapitulating the benefit of any credit allowable under subsection (a) for any project which fails to attain or maintain the separation and sequestration requirements for such project under subsection (d)(1).”

(d) SELECTION PRIORITIES.—Section 48B(d) (relating to qualifying gasification project programs) is amended by adding at the end the following new paragraph:

“(4) SELECTION PRIORITIES.—In determining which qualifying gasification projects to certify under the Secretary’s program, the Secretary shall—

(A) give highest priority to projects with the greatest separation and sequestration percentage of total carbon dioxide emissions, and

(B) give high priority to applicant parties who have a research partnership with an eligible educational institution (as defined in section 529(e)(5)).”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to credits allocated under section 48B of the Internal Revenue Code of 1986 which are allocated or reallocated after the date of the enactment of this Act.

Sec. 1508. SEVEN-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED CARBON DIOXIDE PIPELINE PROPERTY.

(a) IN GENERAL.—Section 168(h)(3)(C) of the Internal Revenue Code of 1986 and which are allocated or reallocated after the date of the enactment of this Act shall take effect on the date of the enactment of this Act.

(b) EFFECTIVE DATES.—(1) In general.—Except as otherwise provided in this subsection, the amendments made by section 168(h)(3)(C) of the Internal Revenue Code of 1986 (relating to qualifying carbon dioxide pipeline property) are amended by striking “and” at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

(v) any qualified carbon dioxide pipeline property—

(1) the original use of which commences with the taxpayer after the date of the enactment of this Act,

(II) which qualifies as property described in section 193(b)(1),

(III) is in favor of the coal producer or the party related to the coal producer, and

(IV) relates to the constitutionality of any tax paid on exported coal under section 421 of the Internal Revenue Code of 1986, and

unless the Secretary determines that the carbon dioxide does not escape into the atmosphere as a result of the modification or such modification would result in such project not complying with the application for such section after such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy.

Sec. 1509. SPECIAL RULES FOR REFUND OF THE COAL EXCISE TAX TO CERTAIN COAL PRODUCERS AND EXPORTERS.

(a) REFUND.—

(1) COAL PRODUCERS.—(A) IN GENERAL.—Notwithstanding subsections (a)(1) and (c) of section 6516 and section 6511 of the Internal Revenue Code of 1986 and a judgment described in paragraph (1)(B)(iii) of this subsection, if—

(i) an exporter establishes that such exporter exported coal to a foreign country or shipper of coal to a possession of the United States, or caused such coal to be so exported or shipped,

(ii) such coal producer files a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act,

(iii) such coal producer files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act, and

(iv) the Secretary determines that such coal producer an amount equal to the tax paid under section 421 of such code on such coal exported or shipped by the coal producer or an exporter related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped,

the Secretary shall provide for a refund of the tax paid under section 421 of such code on such coal exported or shipped by the coal producer or an exporter related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped.

(2) SPECIAL RULES FOR CERTAIN TAXPAYERS.—For purposes of this section—

(I) IN GENERAL.—If a coal producer or a party related to a coal producer has received a judgment described in clause (ii) and has provided evidence as provided in clause (iv), such coal producer shall be deemed to have established the export of coal to a foreign country or shipment of coal to a possession of the United States under subparagraph (A)(i).

(II) AMOUNT OF PAYMENT.—If a taxpayer described in clause (i) is entitled to a payment under subparagraph (A), the amount of such payment shall be reduced by any amount paid pursuant to the judgment described in clause (iii).

(III) JUDGMENT DESCRIBED.—A judgment is described in this subparagraph if such judgment—

(I) is made by a court of competent jurisdiction within the United States,

(II) relates to the constitutionality of any tax paid on exported coal under section 421 of the Internal Revenue Code of 1986, and

(III) is in favor of the coal producer or the party related to the coal producer.

(IV) ESTABLISHMENT OF EXPORT.—For purposes of this section, the Secretary shall accept as proof of export or shipment of coal from a coal producer, at the discretion of the coal producer, either—

(I) a copy or the original of a judgment described in clause (ii) unless the judgment is subsequently overturned, which shall be deemed to establish the export of coal covered by the judgment, or

(II) a copy or the original of any one of the following: a bill of lading, a commercial invoice, or a shipper’s export declaration evidencing that such coal was exported or shipped, or caused to be exported or shipped.

(b) RECAPTURE.—In the case of a judgment described in clause (iii) of this subsection, the coal producer shall pay to the Secretary the amount of any payment received under subparagraph (A) unless the Secretary establishes the export of the coal to a foreign country or shipment of coal to a possession of the United States.

(2) EXPORTERS.—(A) IN GENERAL.—Notwithstanding subsections (a)(1) and (c) of section 6516 and section 6511 of the Internal Revenue Code of 1986 and a judgment described in paragraph (1)(B)(iii) of this subsection, if—

(i) an exporter establishes that such exporter exported coal to a foreign country or shipper of coal to a possession of the United States, or caused such coal to be so exported or shipped,
(ii) such exporter filed a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and
(iii) such exporter files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act,
then the Secretary shall pay to such exporter an amount equal to $0.825 per ton of such coal exported by such exporter caused to be exported or shipped, or caused to be exported or shipped by the exporter.

(B) ESTABLISHMENT OF EXPORT.—For purposes of this subsection, the Secretary shall accept as proof of export or shipment from a coal exporter a copy or the original of any of the following: a copy or the original of any of the following: a bill of lading, a commercial invoice, or a shipper’s export declaration evidencing that such coal was exported or shipped, or caused to be exported or shipped.

(b) LIMITATIONS.—Subsection (a) shall not apply with respect to exported coal if a settlement with the Federal Government has been made with and accepted by, the coal producer, a party related to such coal producer, or the exporter, of such coal, as of the date that the claim is filed under this section with respect to such exported coal. For purposes of this subsection, the term “settlement with the Federal Government” shall not include any settlement or stipulation entered into before the date of the enactment of this Act, the terms of which contemplate a judgment concerning which any party has reserved the right to file an appeal, or has filed an appeal.

(c) SUBSEQUENT REFUND PROHIBITED.—No refund shall be made under this section to the extent that a credit or refund of such tax on such exported or shipped coal has been paid to any person.

(d) DEFINITIONS.—For purposes of this section—
(1) COAL PRODUCER.—The term “coal producer” means the person in whom is vested ownership of the coal immediately after the coal is severed from the ground, without regard to the existence of any contractual arrangement for the sale or other disposition of the coal or the payment of any royalties between the owner and third parties.
(A) Indicated in the shipper’s export declaration or other documentation as the exporter of record, or
(B) actually exported such coal to a foreign country with credit to a possession of the United States, or caused such coal to be so exported or shipped.
(3) RELATED PARTY.—The term “a party related to such coal producer” means a person who—
(A) is related to such coal producer through any degree of common management, stock ownership, or voting control,
(B) is related (within the meaning of section 52(b) but determined by treating section 52(c)(3) of such Code) to such coal producer, or
(C) is a contractor, fee arrangement, or any other agreement with such coal producer to sell such coal to a third party on behalf of such coal producer.

(e) TIMING OF REFUND.—With respect to any claim for refund filed pursuant to this section, the Secretary shall determine whether the requirements of this section are met and if such coal is sold at or after the date of such claim is filed. If the Secretary determines that the requirements of this section are met, the claim for refund shall be paid not later than 180 days after the Secretary makes such determination.

(f) INTEREST.—Any refund paid pursuant to this section shall be paid by the Secretary with interest from the date of overpayment determined by using the overpayment rate and method under section 6621 of such Code.

(g) DENIAL OF DOUBLE BENEFIT.—The payment under subsection (a) with respect to any coal shall not exceed—
(1) in the case of a payment to a coal producer, the amount of tax paid under section 4212 of the Internal Revenue Code of 1986 with respect to such coal by such coal producer or a party related to such coal producer, and
(2) in the case of a payment to an exporter, an amount equal to $0.825 per ton with respect to such coal exported by the exporter or caused to be exported by the exporter.

(h) APPLICATION OF SECTION.—This section applies only to claims on coal exported or shipped on or after October 1, 1990, through the date of enactment of this Act.

(i) STANDING NOT CONFERRED.—(1) EXPORTERS.—With respect to exporters, this section shall not confer standing upon an exporter to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by a coal producer of any Federal or State tax, fee, or royalty paid by the coal producer.
(2) COAL PRODUCERS.—With respect to coal producers, this section shall not confer standing upon a coal producer to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by an exporter of any Federal or State tax, fee, or royalty paid by the producer and alleged to have been passed on to an exporter.

SEC. 1510. EXTENSION OF TEMPORARY INCREASE IN COAL EXCISE TAX.
Para. (2) of section 4212(e) (relating to temporary increase termination date) is amended—
(1) by striking “January 1, 2014” in clause (i) and inserting “December 31, 2017”, and
(2) by striking “January 1 after 1981” in clause (ii) and inserting “December 31 after 1981”.

SEC. 1511. CARBON AUDIT OF THE TAX CODE.
(a) STUDY.—The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to evaluate the magnitude of those effects.
(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of study authorized under this section.
(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,500,000 for the period of fiscal years 2008 and 2009.

Subtitle B—Transportation and Domestic Energy Security
PART I—BIOFUELS
SEC. 1521. CREDIT FOR PRODUCTION OF CELLSIOUS BIOMASS ALCOHOL.
(a) IN GENERAL.—Subsection (a) of section 40 (relating to renewable fuel credit) is amended by striking “plus” at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting “, plus”, and by adding at the end the following new paragraph:
(4) the cellulosic alcohol producer credit.
(b) CELLULOSIC ALCOHOL PRODUCER CREDIT.
(1) IN GENERAL.—Subsection (b) of section 40 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:
(5) CELLULOSIC ALCOHOL PRODUCER CREDIT.—
(A) IN GENERAL.—The cellulosic alcohol producer credit for the taxable year is an amount equal to the applicable amount for each gallon of qualified cellulosic alcohol production.
(B) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount must exceed—
(i) $1.05, over
(ii) the amount of the credit in effect for alcohol which is ethanol under subsection (b)(1) without regard to subsection (b)(3) at the time of the qualified cellulosic alcohol production.
(C) LIMITATION.—
(i) IN GENERAL.—No credit shall be allowed to any taxpayer under subparagraph (A) with respect to any qualified cellulosic alcohol production if
(ii) the qualified cellulosic alcohol production for any taxable year exceeding 50,000,000 gallons.
(D) QUALIFIED CELULOSIC ALCOHOL PRODUCTION.—For purposes of this section, the term ‘qualified cellulosic alcohol production’ means any cellulosic biomass alcohol which is produced by the taxpayer and which during the taxable year—
(i) is sold by the taxpayer to another person,
(ii) for use by such other person in the production of a qualified alcohol mixture in such other person’s trade or business (other than a manufacturer of fuel alcohol or other pass-thru entity),
(iii) for use by such other person as a fuel in a trade or business, or
(iv) for use by such other person as a fuel in a trade or business, or
(v) who sells such cellulosic biomass alcohol at retail to another person and places such cellulosic biomass alcohol in the fuel tank of such other person,
(vi) is used or sold by the taxpayer for any purpose described in clause (i).

The qualified cellulosic alcohol production of any taxpayer for any taxable year shall not include any alcohol which is purchased by the taxpayer and with respect to which such producer increases the proof of the alcohol by additional distillation.

(E) CELULLOSIC BIMASS ALCOHOL.—
(1) IN GENERAL.—The term ‘cellulosic biomass alcohol’ has the meaning given such term under section 161(i)(3), but does not include any alcohol with a proof of less than 150.
(2) DETERMINATION OF PROOF.—The determination of the proof of any alcohol shall be made without regard to any added denaturant.

(F) COORDINATION WITH SMALL ETHANOL PRODUCER CREDIT.—No small ethanol producer credit shall be allowed with respect to the qualified cellulosic alcohol production if credit is determined with respect to such production under this paragraph.
“(G) Allocation of cellulosic producer credit to patrons of cooperative.—Rules similar to the rules under subsection (g)(6) shall apply for purposes of this paragraph.

“(H) Cellulosic biomass alcohol.—This paragraph shall apply with respect to qualified cellulosic alcohol production after December 31, 2007, and before January 1, 2014.

“(1) Allocation of credit.—Except as provided in paragraph (1) in paragraph (2), and

“(A) In general.—In the case of any calendar year beginning after the calendar year described in subparagraph (B), the last row in the table in paragraph (2) shall be applied by substituting 51 cents for 45 cents.

“(B) Calendar year described.—The calendar year described in this subparagraph shall be the first calendar year beginning after 2007 during which 7,500,000,000 gallons of ethanol (including cellulosic ethanol) have been produced in or imported into the United States, as certified by the Secretary, in consultation with the Administrator of the Environmental Protection Agency.

“(2) Conforming amendment.—Paragraph (3) of section 40A(f) is amended by striking ‘‘(as defined in section 45K(c)(3))’’. The amendment made by this paragraph is effective January 1, 2008.

“(I) Alcohol not used as a fuel, etc.—

“(1) General.—Paragraph (3) of section 40(d) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) Cellulosic alcohol producer credit.—Paragraph (1) shall not apply to the portion of the credit allowed under this section by reason of subsection (a)(4).

“(2) Alcohol not used as a fuel, etc.—Paragraph (3) of section 40(d) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) Cellulosic alcohol producer credit.—Paragraph (1) shall not apply to the portion of the credit allowed under this section by reason of subsection (a)(4).

“(II) Any person does not use such fuel for a purpose described in subparagraph (B)(5)(i), then there is hereby imposed on such person a tax equal to the applicable amount for each gallon of such cellulosic biomass alcohol.’’.

“(J) Conforming amendments.—

“(1) Subparagraph (C) of section 40(d)(3) is amended by striking ‘‘(B)’’ in the heading and inserting ‘‘(B) small ethanol producer’’.

“(2) Subparagraph (E) of section 40(d)(3), as redesignated by paragraph (1), is amended by striking ‘‘(C)’’ and inserting ‘‘(C), or (D)’’.

“(K) Limitation to cellulosic alcohol with connection to the United States.—

“(1) In general.—Paragraph (3) of section 40A(1) is amended by adding at the end the following new paragraph:

“(j) Limitation to cellulosic alcohol with connection to the United States.—No cellulosic alcohol producer credit shall be determined under subsection (a) with respect to any alcohol unless such alcohol is produced in the United States.

“(K) Effective date.—The amendments made by this section shall apply to fuel produced after December 31, 2007.

“SEC. 1522. EXPANSION OF SPECIAL ALLOWANCE TO CELLULOSIC BIOMASS ALCOHOL FUEL PLANT PROPERTY.

“(a) In general.—Paragraph (3) of section 6168(1) is amended by striking ‘‘cellulosic biomass ethanol’’ each place it appears and inserting ‘‘cellulosic biomass alcohol’’.

“(b) The heading of section 6168(1) is amended by striking ‘‘cellulosic biomass ethanol’’ and inserting ‘‘Cellulosic Biomass Alcohol’’.

“(c) The heading of section 6168 is amended by striking ‘‘cellulosic biomass ethanol’’ and inserting ‘‘Cellulosic Biomass Alcohol’’.

“(d) The heading of paragraph (2) of section 6168(1) is amended by striking ‘‘Cellulosic Biomass Alcohol’’.

“(e) The heading of paragraph (2) of section 6168 is amended by striking ‘‘Cellulosic Biomass Alcohol’’.

“(f) The section 6168 is amended by striking ‘‘Cellulosic Biomass Alcohol’’.

“(g) The date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.
credit is not allowed with respect to such mixture or alternative fuel by reason of section 6226(1)."

"(d) EFFECTIVE DATE.—The amendments made by this subsection shall apply to fuel sold or used after the date of the enactment of this Act.

SEC. 1527. COMPREHENSIVE STUDY OF BIOFUELS

(a) STUDY.—The Secretary of the Treasury, in consultation with the Secretary of Agriculture, the Secretary of Energy, and the Administrator of the Environmental Protection Agency, shall enter into an agreement with the National Academy of Sciences to produce an analysis of current scientific findings to determine—

(1) current biofuels production, as well as projections for future production,

(2) the maximum amount of biofuels production capable on United States farmland, and

(3) the domestic effects of a dramatic increase in biofuels production on, for example—

(A) the price of fuel,

(B) the price of land in rural and suburban communities,

(C) crop acreage and other land use,

(D) the environment, due to changes in crop acreage, fertilizer use, runoff, water use, emissions from vehicles utilizing biofuels, and other factors,

(E) the selling price of grain crops,

(F) exports and imports of grains,

(G) taxpayers, through cost or savings to commodity crop payments, and

(H) the expansion of refinery capacity,

(i) the ability to convert corn ethanol plants for other uses, such as cellulose ethano-

ii) a comparative analysis of corn ethanol versus other biofuels and renewable energy sources, considering cost, energy output, and ease of implementation,

(iii) the need for additional scientific inquiry, and specific areas of interest for future research.

(b) REPORT.—The National Academy of Sciences shall submit an initial report of the findings of the report required under subsection (a) to the Congress not later than 6 months after the date of the enactment of this Act, and a final report not later than 6 months after such date of enactment.

PART II—ADVANCED TECHNOLOGY VEHICLE CREDITS

SEC. 1528. CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

(a) IN GENERAL.—Subpart B of part IV of subchapter B of chapter 1 (relating to other credits) is amended by adding at the end the following section:

"SEC. 30D. NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credit amounts determined under subsection (b) with respect to each new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year.

"(b) PER VEHICLE DOLLAR LIMITATION.—

"(1) IN GENERAL.—The amount determined under this subsection with respect to any new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year shall not exceed $7,500.

"(2) AMOUNTS.—The terms ‘‘passenger motor vehicle,’’ ‘‘light truck,’’ and ‘‘manufacturer’’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency under section 226(a)(1) of the Clean Air Act for that make and model year vehicle, and

"(D) which is propelled to a significant extent by an electric motor which draws electricity from an external source.

"(2) Exception.—The term ‘‘new qualified plug-in electric drive motor vehicle’’ shall not include any vehicle which is not a passenger motor vehicle and which is capable of storing, expressed in kilowatt hours of capacity, the amount determined under this paragraph which is $200, plus $200 for each kilo-

\[\text{watt hour of capacity in excess of 5 kilowatt hours. The amount determined under this paragraph shall not exceed $2,000.}\]

\[\text{(c) APPLICATION WITH OTHER CREDITS.—(1) RULES REGARDING CREATING A PART OF GENERAL BUSINESS CREDIT.—So much of the credit which would be allowed under subsection (a) without regard to this subsection that is attributable to property of a character subject to an allowance for depreciation shall be treated as a credit allowable under part A for such taxable year (and not allowed under subsection (a)).}\]

\[\text{(2) PERSONAL CREDIT.—(A) In general.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under part A for such taxable year.}\]

\[\text{(B) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26a(d)(2) does not apply, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall not exceed the excess of—}\]

\[\text{1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over—}\]

\[\text{2) the sum of the credits allowable under subsection A (other than this section and sections 23 and 25D) and section 27 for the taxable year.}\]

\[\text{(d) NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE.—For purposes of this section—}\]

\[\text{(1) IN GENERAL.—The term ‘‘new qualified plug-in electric drive motor vehicle’’ means a motor vehicle (as defined in section 30(c)(2))—}\]

\[\text{(A) which is capable of storing, expressed in kilowatt hours, and}\]

\[\text{(B) which is capable of being recharged from an external source of electricity.}\]

\[\text{(2) Exception.—The term ‘‘new qualified plug-in electric drive motor vehicle’’ shall not include any vehicle which is not a passenger motor vehicle and which is capable of storing, expressed in kilowatt hours, and}\]

\[\text{(3) BATTERY CAPACITY.—The term ‘‘capacity’’ with respect to any battery, the quantity of electricity which the battery is capable of storing, expressed in kilowatt hours, as measured from a 100 percent state of charge to a 0 percent state of charge.}\]

\[\text{(4) LIMITATION ON NUMBER OF NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES ELIGIBLE FOR CREDIT.—(A) In general.—In the case of a new qualified plug-in electric drive motor vehicle sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (a) shall be allowed.}\]

\[\text{(B) PHASEOUT PERIOD.—For purposes of this section, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the number of qualified plug-in electric drive motor vehicles manufactured by the manufacturer of the vehicle referred to in paragraph (1) sold for use in the United States after the date of the enactment of this section, is at least 60,000.}\]

\[\text{(C) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is—}\]

\[\text{(A) 50 percent for the first 2 calendar quarters of the phaseout period.}\]

\[\text{(B) 25 percent for the 3rd and 4th calendar quarters of the phaseout period, and}\]

\[\text{(C) 0 percent for each calendar quarter thereafter.}\]

\[\text{(4) CONTROLLED GROUPS.—Rules similar to the rules of section 30B(b)(4) shall apply for purposes of this subsection.}\]

\[\text{(5) SPECIAL RULES.—(1) BASIS REDUCTION.—The basis of any property for which credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (c)).}\]

\[\text{(2) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.}\]

\[\text{(3) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 5(b)(1) or with respect to the portion of the cost of any property taken into account under section 170.}\]

\[\text{(D) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.}\]

\[\text{(E) PROPERTY USED BY TAX-EXEMPT ENTITY; INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Rules similar to the rules of paragraphs (6) and (10) of section 30B shall apply for purposes of this section.}\]

\[\text{(F) COORDINATION WITH ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(d)(3) is amended by adding at the end the following new subparagraph:}\]

\[\text{(D) EXCLUSION OF PLUG-IN VEHICLES.—Any vehicle with respect to which a credit is allowable under subsection (a) determined with-}\]

\[\text{out regard to subsection (c) thereof shall not be taken into account under this section.}\]

\[\text{(G) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b), as amended by this Act, is amended—}\]

\[\text{(1) by striking ‘‘and’’ each place it appears at the end of any paragraph,}\]

\[\text{(2) by striking ‘‘plus’’ each place it appears at the end of any paragraph,}\]

\[\text{(3) by striking the period at the end of paragraph (3) and inserting ‘‘, plus’, and}\]

\[\text{(4) by adding at the end the following new paragraph:}\]

\[\text{(2) the portion of the new qualified plug-in electric drive motor vehicle credit to which section 30(b)(1) applies.’’.}\]

\[\text{(H) CONFORMING AMENDMENTS.—(1) Section 24(b)(3)(B), as amended by this Act, is amended—}\]

\[\text{(i) by adding ‘‘and’’ and inserting ‘‘25D, and 30D’’.}\]

\[\text{(2) Section 25(e)(1)(C)(ii) is amended by inserting ‘‘30D’’, after ‘‘25D’’.}\]

\[\text{2. Section 38(b), as amended by this Act, is amended by striking ‘‘and 25D’’ and inserting ‘‘25D, and 30D’’.}\]
(D) Section 26(a)(1), as amended by this Act, is amended by striking “and 25D” and inserting “25D, and 30D”.

(E) Section 1400(g)(2) is amended by striking “as applicable” and inserting “as applicable and 25D”.

(2) Section 1016(a) is amended by striking “and” at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting “and”, and by adding at the end the following new paragraph:

“(38) to the extent provided in section 30D(f)(4),”.

(3) Section 6501(m) is amended by inserting “30D(f)(4),” after “30C(e)(5),”.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 30D. New qualified plug-in electric drive motor vehicles.”.

(e) TREATMENT OF ALTERNATIVE MOTOR VEHICLE CREDIT AS A PERSONAL CREDIT.—

(1) IN GENERAL.—Paragraph (2) of section 30B(a) is amended to read as follows:

“(2) PERSONAL CREDIT.—The credit allowed under subsection (a) for any taxable year (after application of paragraph (1)) shall be treated as allowable under subparagraph (A) for such taxable year.”.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (A) of section 30C(d)(2) is amended by striking “sections 27, 30, and 30B” and inserting “sections 27 and 30”.

(B) Paragraph (3) of section 55(c) is amended by striking “30B(g)(2)”.

(3) INTERIM IMPLEMENTATION.—

(1) IN GENERAL.—Section 30B (relating to alternative motor vehicle credit) is amended by redesignating subsections (i) and (j) as subsections (k) and (l), respectively, and by inserting after subsection (k) the following new subsection:

“(i) PLUG-IN CONVERSION CREDIT.—

(1) IN GENERAL.—For purposes of subsection (a), the plug-in conversion credit determined under this subsection with respect to any motor vehicle which is converted to a qualified plug-in electric drive motor vehicle is an amount equal to 20 percent of the cost of the plug-in traction battery module installed in such vehicle as part of such conversion.

(2) LIMITATIONS.—The amount of the credit allowed under this subsection shall not exceed $2,500 with respect to the conversion of any motor vehicle.

(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

(A) QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE Means any new qualified plug-in electric drive motor vehicle (as defined in section 30D(d)(1)), determined without regard to subparagraphs (A) and (C) thereof.

(B) PLUG-IN TRACTION BATTERY MODULE—The term ‘plug-in traction battery module’ means an electro-chemical energy storage device which—

(i) has a traction battery capacity of not less than 2.5 kilowatt hours,

(ii) is equipped with an electrical plug by means of which it can be energized and recharged when plugged into an external source of electric power,

(iii) consists of a standardized configuration and is mass produced,

(iv) has been tested and approved by the National Highway Transportation Safety Administration and has been granted with applicable motor vehicle and motor vehicle equipment safety standards when installed by a mechanic with standardized training in protocols established by the battery manufacturer as part of a nationwide distribution program, and

(v) is certified by a battery manufacturer as meeting the requirements of clauses (i) through (iv).

(C) CREDIT ALLOWED TO LESSOR OF BATTERY—In the case of a plug-in traction battery module which is leased to the taxpayer, the credit allowed under this subsection shall be allowed to the lessor of the plug-in traction battery module.

(D) CREDIT ALLOWED IN ADDITION TO OTHER CREDITS.—The credit allowed under this subsection shall be allowed with respect to such motor vehicle under this section (other than this subsection) in any preceding taxable year.

(4) TERMINATION.—This subsection shall not apply to conversions made after December 31, 2010.

(2) CREDIT TREATED AS PART OF ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(a) is amended by striking “and” at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting “and”, and by adding at the end the following new paragraph:

“(4) the plug-in conversion credit determined under subsection (a) shall be treated as an alternative motor vehicle credit for purposes of this subsection, the amendments provided in this subsection, the amendments made by this section, and the amendments made by subsection (d)(1)(A) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provision of section 38(d)(1)(A) shall be treated as an alternative motor vehicle credit.”.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2007.

(2) TREATMENT OF ALTERNATIVE MOTOR VEHICLE CREDIT AS PERSONAL CREDIT.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2006.

(3) CONVERSION KITS.—The amendments made by subsection (f) shall apply to taxable years beginning after December 31, 2007.

(b) Application of EGTRRA Sunset.—The amendment made by subsection (d)(1)(A) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provision of such Act to which such amendment relates.

SEC. 1539. EXCLUSION FROM HEAVY TRUCK TAX FOR IDLING REDUCTION UNITS AND ELECTRIC POWERED UNITS.

(a) IN GENERAL.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraphs:

“(9) IDLING REDUCTION DEVICE.—Any device or system of devices which—

(A) is designed to provide to a vehicle those services (such as heat, air conditioning, or electricity) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using electric power from a battery, a fuel cell, a diesel generator, or other means of providing needed electric power.

(B) is approved by the Secretary of Energy, such as a battery-powered unit or from grid-supplied electricity, or

(ii) a dual fuel powered unit by diesel or other fuels, and capable of providing such services from grid-supplied electricity or on-truck batteries alone, and

(B) is certified by the Secretary of Energy, the Administrator of the Environmental Protection Agency and the Secretary of Transportation, to reduce long-duration idling of such vehicle at a vehicle operator’s facility or at a refueling or other location where such vehicles are temporarily parked or remain stationary.

For purposes of subparagraph (B), the term ‘long-duration idling’ means the operation of a main drive engine, for a period greater than 15 consecutive minutes, where the main drive engine is not engaged in gear. Such term does not apply to routine stoppages associated with traffic movement or congestion.

“(10) ADVANCED INSULATION.—Any insulation that has a R value of not less than R35 per inch.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or installations after December 31, 2007.

PART III—OTHER TRANSPORTATION PROVISIONS

SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

“(a) IN GENERAL.—Part I of subsection Y of chapter 1 is amended by redesignating section 1400K as section 1400L and by adding at the end the following new section:

“SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

“(a) IN GENERAL.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against such taxes imposed for any payroll period by section 3802 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year is as is allocated by such governmental unit to such period under subsection (b)(4).

“(b) QUALIFYING PROJECT EXPENDITURE AMOUNT.—For purposes of this section—

“(1) QUALIFYING PROJECT.—The term ‘qualifying project expenditure amount’ means—

(A) the total expenditures paid or incurred during such calendar year by any New York Liberty Zone governmental unit and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

(B) any such expenditures—

(i) paid or incurred in any preceding calendar year which become eligible after the date of enactment of this section, and

(ii) not previously allocated under paragraph (3).

(2) QUALIFYING PROJECT EXPENDITURE.—The term ‘qualifying project expenditure amount’ means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

“(3) GENERAL ALLOCATION.—In the case of a New York Liberty Zone governmental unit and the Port Authority of New York and New Jersey, such project expenditure amount may be taken into account by such governmental unit under subsection (a) for any calendar year in which such project expenditure amount was paid or incurred.

“(4) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subsection (a) for any calendar years in the credit period shall not exceed $115,000,000 ($255,000,000 in the case of the last 2 years in the credit period), plus
‘‘(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years.

‘‘(3) ALLOCATION AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under paragraph (A) for any calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate such aggregate amount to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period, made uniform as to—

‘‘(i) the lesser of—

‘‘(I) such excess, or

‘‘(II) the qualifying project expenditure amount under such succeeding calendar year, reduced by—

‘‘(B) the amount allocated to such governmental unit for any calendar year, reduced by—

‘‘(i) the aggregate amount allocated under this subparagraph for all preceding calendar years.

‘‘(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such calendar year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year.

‘‘(5) RELOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b) for purposes of subsection (b)(3) within the prescribed period of time, the Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit a report to the Secretary among the States in proportion to the population of the States.

‘‘(6) TREATMENT OF FUNDS.—Any expenditure by a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

‘‘(7) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHERING TAXES.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such purpose by not later than section 3401 relating to wage withholding.

‘‘(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

‘‘(1) which certifies—

‘‘(A) the qualifying project expenditure amount for the calendar year, and

‘‘(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for any such succeeding calendar year, and

‘‘(2) includes such other information as the Secretary may require to carry out this section.

‘‘(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

‘‘(g) MISCELLANEOUS.—Subparagraph (A) of section 1400K(b)(2), as redesignated by subparagraph (B), is amended by striking the paragraph heading and inserting ‘‘(B) the aggregate amount is reduced by—

‘‘(B) allocations to the largest local government in each place of residence and place of employment.

‘‘(C) the National limitation on the amount of bonds designated shall not exceed the limitation amount allocated to such issuer under subsection (d).

‘‘(D) the limitation applicable under subsection (c) shall be allocated by the Secretary among the States in proportion to the population of the States.

‘‘(2) ALLOCATIONS TO LARGEST LOCAL GOVERNMENTS.—(A) IN GENERAL.—In the case of any State in which there is a large local government, each such local government shall be allocated a portion of such State’s allocation

SEC. 1532. EXTENSION AND MODIFICATION OF ELECTION TO EXPENSE CERTAIN REFINERY DEBT.

(a) EXTENSION.—Paragraph (1) of section 179(c) (relating to qualified refinery property) is amended by—

‘‘(1) inserting ‘‘January 1, 2012’’ in subparagraph (B) and inserting ‘‘January 1, 2014’’; and

‘‘(2) striking ‘‘July 1, 2009’’ each place it appears in subparagraph (F) and inserting ‘‘January 1, 2010’’.

(b) INCLUSION OF FUEL DERIVED FROM SHALE AND TAR SANDS.—(1) IN GENERAL.—Subsection (d) of section 179C is amended by inserting ‘‘, or directly from shale or tar sands’’ after ‘‘(as defined in section 179C(c))’’.

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 179C(e) is amended by inserting ‘‘shale, tar sands, or’’ before ‘‘qualified fuel’’.

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

SUBTITLE C—ENERGY CONSERVATION AND EFFICIENCY

PART I—CONSERVATION TAX CREDIT BONDS

SEC. 1541. QUALIFIED ENERGY CONSERVATION BONDS.

(a) QUALIFIED ENERGY CONSERVATION BOND.—For purposes of this subchapter, the term ‘‘qualified energy conservation bond’’ means any bond issued as part of an issue if—

‘‘(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified conservation purposes;

‘‘(2) the bond is issued by a State or local government, and

‘‘(3) the issuer designates such bond for purposes of this section.

‘‘(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under section (a) shall not exceed the limitation amount allocated to such issuer under subsection (d).

(c) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national qualified energy conservation bond limitation of $3,000,000,000.

(1) IN GENERAL.—The limitation applicable under subsection (c) shall be allocated by the Secretary among the States in proportion to the population of the States.

(2) ALLOCATIONS TO LARGEST LOCAL GOVERNMENTS.—(A) IN GENERAL.—In the case of any State in which there is a large local government, each such local government shall be allocated a portion of such State’s allocation.

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which bears the same ratio to the State’s allocation (determined without regard to this subparagraph) as the population of such high government to the State in which such high government is located. (C) LARGE LOCAL GOVERNMENT.—For purposes of this section, the term ‘large local government’ means any municipality or county if such municipality or county has a population of 100,000 or more. (B) ALLOCATION TO ISSUERS: RESTRICTION ON PRIVATE ACTIVITY BONDS.—Any allocation under this subsection to a State or large local government shall be allocated by such State or large local government to issuers within the State in a manner that results in not less than 70 percent of the allocation to such State or large local government being used to designate bonds which are not private activity bonds.

(1) IN GENERAL.—The Secretary shall make allocations of the amount of the national qualified forestry conservation bond limitation described in subsection (c) among qualified forestry conservation projects in such manner as the Secretary determines appropriate so as to ensure that all of such limitation is allocated before the date which is 90 days after the date of the enactment of this section.

(2) SOLICITATION OF APPLICATIONS.—The Secretary shall solicit applications for allocations of the national qualified forestry conservation bond limitation described in subsection (c) not later than 90 days after the date of the enactment of this section.

(3) AMOUNTS DESIGNATED.—For purposes of this section, the term ‘qualified forestry conservation project’ includes any qualified forestry conservation project which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).

(a) IN GENERAL.—Subpart I of part IV of subchapter A of chapter 1, as added by this title, is amended by adding the following: Sec. 154D. QUALIFIED FORESTRY CONSERVATION BONDS.

I. DEFINITIONS

(a) IN GENERAL.—Subparagraph (a) of section 54A(d), as added by this title, is amended to read as follows: ‘‘(a) QUALIFIED FORESTRY CONSERVATION BOND.—The term ‘qualified forestry conservation bond’ means a State or qualified tribal government bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which section 18A(a) applies.’’

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d), as added by this title, is amended to read as follows: ‘‘(1) QUALIFIED PURPOSE.—For purposes of this paragraph, the term ‘qualified purpose’ means— (A) a new clean renewable energy bond, or (B) a qualified energy conservation bond, a purpose specified in section 54C(a)(1).’’

(2) Paragraph (2) of section 54A(d), as added by this title, is amended to read as follows: ‘‘(2) QUALIFIED ISSUER.—For purposes of this paragraph, the term ‘qualified issuer’ means a State or 501(c)(3) organization (as defined in section 159(a)(4)).’’

(3) Paragraph (3) of section 54A(d), as added by this title, is amended to read as follows: ‘‘(3) QUALIFIED PURPOSE.—For purposes of this paragraph, the term ‘qualified purpose’ includes any qualified forestry conservation project which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).’’

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.
SEC. 1544. EXTENSION AND MODIFICATION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Subsection (b) of section 179D (relating to termination) is amended by striking “December 31, 2008” and inserting “December 31, 2013.”


(a) In General.—Subsection (b) of section 45M (relating to applicable amount) is amended by inserting at the end of subsection (a) the following new paragraph:

“(d) Types of Energy Efficient Appliances.—Subsection (d) of section 45M (defining types of energy efficient appliances) is amended to read as follows:

“(1) dishwashers described in subsection (b)(2), and

“(2) refrigerators described in subsection (b)(3).

“(d) Aggregate Credit Amount Allowed.—(1) INCREASE IN LIMIT.—Paragraph (1) of section 45M(e) (relating to aggregate credit amount allowed) is amended to read as follows:

“(1) Aggregate credit amount allowed.

(II) The aggregate amount of credit allowed under subsection (a) with respect to a taxpayer for any taxable year shall not exceed $75,000,000 reduced by the amount of the aggregate amount of credit allowed under subsection (a) with respect to a taxpayer (or any predecessor) for all prior taxable years beginning after December 31, 2007.”

“(e) Qualified Energy Efficient Appliances.—

“(1) IN GENERAL.—Paragraph (1) of section 45M(f) (defining energy efficient appliances) is amended to read as follows:

“(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term ‘qualified energy efficient appliance’ is defined to mean:

“(A) any clothes washer described in subsection (b)(2), and

“(B) any clothes washer described in subsection (b)(3).

“(C) any refrigerator described in subsection (b)(4).

“(D) any washer.—Section 45M(f)(3) (defining clothes washer) is amended by inserting “commercial” before “residential” the second place it appears.

“(E) any range.—Section 45M(f)(4) (defining range) is amended by striking “December 31, 2010” and inserting “December 31, 2013.”

“(F) any clothes washer which has the clothes compartment access located on the top of the machine and which operates on a vertical axis.”

“(G) any clothes washer which is manufactured in calendar year 2008, 2009, or 2010 and consumes at least 25 percent but not more than 24.9 percent less kilowatt hours per year than the 2001 energy conservation standards.

“(H) any clothes washer which is manufactured in calendar year 2008, 2009, or 2010 and consumes at least 20 percent but not more than 19.9 percent less kilowatt hours per year than the 2001 energy conservation standards.

“(I) any clothes washer which is manufactured in calendar year 2008, 2009, or 2010 and consumes at least 15 percent but not more than 14.9 percent less kilowatt hours per year than the 2001 energy conservation standards.

“(J) any clothes washer which is manufactured in calendar year 2008, 2009, or 2010 and consumes at least 10 percent but not more than 9.9 percent less kilowatt hours per year than the 2001 energy conservation standards.”

“(e) Aggregate Credit Amount Allowed.—(2) AMOUNT ALLOWED FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Refrigerators described in subsection (b)(3)(D) and clothes washers described in subsection (b)(2)(D) shall not be taken into account under paragraph (1) of section 45M(f).”

“(f) Definitions and Special Rules.—Subsection (f) of section 45M (relating to definitions and special rules) is amended by striking “gallons per cycle” and inserting “gallons per cycle per load.”
customer’s energy management device in support of time-based rates or other forms of demand response, and

(iii) provides data to such supplier or provider that such device or provider can provide energy usage information to customers electronically.

(C) Net metering.—For purposes of subparagraph (B), the term ‘net metering’ means allowing customers a credit for providing electricity to the supplier or provider.

(E) Effective date.—The amendments made by this section shall apply to property placed in service after December 31, 2007.

Subtitle D—Other Provisions

PART I—DEDUCTIONS FOR QUALIFIED TIMBER GAIN

SECTION 1531. DEDUCTION FOR QUALIFIED TIMBER GAIN.

(a) In General.—Part I of subchapter P of chapter 1 is amended by adding at the end the following new section:

‘‘SEC. 1203. DEDUCTION FOR QUALIFIED TIMBER GAIN.

‘‘(a) In General.—In the case of any qualified timber gain of a pass-thru entity (as defined in section 1203(h)(10)) other than a real estate investment trust, the gain for any taxable year shall be reduced by the amount of such pass-thru entity’s distributions of gain for such taxable year in the same manner as gain described in subsection (a) of section 1203 is treated for purposes of section 1203, in the case of a distribution made with respect to shares during such taxable year of amounts attributable to the deduction allowable under section 1203(a) as provided in subclauses (II) and (III) of section 1203(b).

(b) Treatment of Qualified Timber Gain of Real Estate Investment Trusts.—Paragraph (3) of section 657(b) is amended by inserting after subparagraph (F) the following new subparagraph:

‘‘(G) Treatment of Qualified Timber Gain.—For purposes of this section, in the case of a real estate investment trust with respect to which an election is in effect under section 1203—

(1) the deduction allowed under section 1203 shall not be reduced (but not below zero) by the real estate investment trust’s qualified timber gain (as defined in section 1203(h)(10)) other than a real estate investment trust at the close of such taxable year exceeds the amount of distributions allowable under section 1203(a) for a taxable year

(2) the amount of any loss on the sale or exchange of such shares or interests for 6 months or less, determined without regard to any reduction provided in regulations prescribed by the Secretary

(3) such a shareholder shall not be disallowed amount of such distribution

(4) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

(5) the deduction under section 1203 shall not be taken into account.

(c) Special Rules for Pass-Through Entities.—

(1) In the case of any qualified timber gain of a pass-thru entity (as defined in section 1203(h)(10)) other than a real estate investment trust, the election under this section shall be made separately by each taxpayer subject to tax on such gain.

(2) In the case of any qualified timber gain of a real estate investment trust, the election under this section shall be made by the real estate investment trust.

(d) Election.—An election under this section shall be made only with respect to the first taxable year beginning after the date of the enactment of this Act.

(e) Treatment of Qualified Timber Gain.—For purposes of this section, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount of such capital gains attributable to the deduction described in paragraphs (1) and (2) of subparagraph (A) of section 1203(a) and by inserting after subparagraph (F) the following new subparagraph:

‘‘(G) Treatment of Qualified Timber Gain.—For purposes of this section, in the case of a real estate investment trust with respect to which an election is in effect under section 1203—

(1) the deduction allowed under section 1203 shall not be reduced (but not below zero) by the real estate investment trust’s qualified timber gain (as defined in section 1203(h)(10)) other than a real estate investment trust at the close of such taxable year exceeds the amount of distributions allowable under section 1203(a) for a taxable year

(2) the amount of any loss on the sale or exchange of such shares or interests for 6 months or less, determined without regard to any reduction provided in regulations prescribed by the Secretary

(3) such a shareholder shall not be disallowed amount of such distribution

(4) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

(5) the deduction under section 1203 shall not be taken into account.

(f) Special Rules for Pass-Through Entities.—

(1) In the case of any qualified timber gain of a pass-thru entity (as defined in section 1203(h)(10)) other than a real estate investment trust, the election under this section shall be made separately by each taxpayer subject to tax on such gain.

(2) In the case of any qualified timber gain of a real estate investment trust, the election under this section shall be made by the real estate investment trust.

(3) Election.—An election under this section shall be made only with respect to the first taxable year beginning after the date of the enactment of this Act.

(4) Treatment of Qualified Timber Gain.—For purposes of this section, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount of such capital gains attributable to the deduction described in paragraphs (1) and (2) of subparagraph (A) of section 1203(a) and by inserting after subparagraph (F) the following new subparagraph:

‘‘(G) Treatment of Qualified Timber Gain.—For purposes of this section, in the case of a real estate investment trust with respect to which an election is in effect under section 1203—

(1) the deduction allowed under section 1203 shall not be reduced (but not below zero) by the real estate investment trust’s qualified timber gain (as defined in section 1203(h)(10)) other than a real estate investment trust at the close of such taxable year exceeds the amount of distributions allowable under section 1203(a) for a taxable year

(2) the amount of any loss on the sale or exchange of such shares or interests for 6 months or less, determined without regard to any reduction provided in regulations prescribed by the Secretary

(3) such a shareholder shall not be disallowed amount of such distribution

(4) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

(5) the deduction under section 1203 shall not be taken into account.

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1552. EXCISE TAX NOT APPLICABLE TO SEC. 1203 DEDUCTION OF REAL ESTATE INVESTMENT TRUSTS.

(a) In General.—

(1) Ordinary Income.—Subparagraph (B) of section 4981(e)(1) is amended to read as follows:

‘‘(B) by not taking into account—

(i) any gain or loss from the sale or exchange of capital assets (determined without regard to any reduction that would be applied for purposes of section 4857(b)(3)(G)(ii)), and

(ii) any deduction allowable under section 1203, and

(2) Qualified Timber Gain.—The amount determined under subparagraph (A) shall be determined without regard to any reduction that would be applied for purposes of section..."
SEC. 1553. TIMBER REAL ESTATE MODERNIZATION.

(a) In General.—Section 856(c)(5) is amended by adding after subparagraph (G) the following new subparagraph:

"(H) TERMINATION.—If this subsection is amended by an election under section 631(a) from timber owned by the real estate investment trust, the cutting of which is provided by a taxable REIT subsidiary of the real estate investment trust:"

"(i) recognized by an election under section 631(a) from timber owned by the real estate investment trust, the cutting of which is provided by a taxable REIT subsidiary of the real estate investment trust;"

"(II) recognized under section 631(a); or"

"(III) income which would constitute gain under section 631(a)(3)(C) shall include gain which is:"

"(I) recognized by an election under section 631(a) from timber owned by the real estate investment trust, the cutting of which is provided by a taxable REIT subsidiary of the real estate investment trust;"

"(II) recognized under section 631(a); or"

"(III) income which would constitute gain under section 631(a)(3)(C) shall include gain which is:

"(i) recognized by an election under section 631(a) from timber owned by the real estate investment trust, the cutting of which is provided by a taxable REIT subsidiary of the real estate investment trust;"

"(II) recognized under section 631(a); or"

"(III) income which would constitute gain under section 631(a)(3)(C) shall include gain which is:"

(c) Treatment of Qualified Settlement Income Under Employment Taxes.

(1) Treatment of qualified settlement income received by a taxpayer who is a plaintiff in a civil action. —(A) in the case of any major integrated oil company (as defined in section 167(h)(5)(B)), the production, refining, processing, transportation, or distribution of oil, gas, or any property derived therefrom during any taxable year described in section 167(h)(5)(B).

(2) FICA.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as self-employment income.

(d) Qualified Taxpayer.—For purposes of this section, the term ‘qualified taxpayer’ means—

(1) any individual who is a plaintiff in the civil action In re Exxon Valde, No. 89-085-CV (HRH) (Consolidated) (D. Alaska) or

(2) any individual who is a beneficiary of the estate of such a plaintiff who—

(A) acquired the right to receive qualified settlement income from that plaintiff; and

(B) was the spouse or an immediate relative of that plaintiff.

qualified settlement incomeIncome. —For purposes of this subsection, the term ‘qualified settlement income’ means any interest and passive damage awards which are—

(1) otherwise includible in taxable income, and

(2) received (whether as lump sums or periodic payments) in connection with the civil action In re Exxon Valde, No. 89-085-CV (HRH) (Consolidated) (D. Alaska) (whether pre- or post-judgment and whether related to a settlement or judgment).

PART III—ELECTRIC TRANSMISSION FACILITIES

SEC. 1558. TAX-EXEMPT FINANCING OF CERTAIN ELECTRIC TRANSMISSION FACILITIES.

(a) In General.—Subsection (a) of section 142 is amended—

(1) by striking “or” at the end of paragraph (14),

(2) by striking the period at the end of paragraph (15) and inserting “, or”, and

(3) by inserting at the end the following new paragraph:

“(16) qualified electric transmission facilities.”

(b) Definition.—Section 142 is amended by inserting at the end the following new subsection:

“(d) Qualified Electric Transmission Facilities.—

“(1) In General.—For purposes of this subsection, the term ‘qualified electric transmission facility’ means any electric transmission facility which is owned by—

“(A) a State or political subdivision of a State, or any agency, authority, or instrumentality of any of the foregoing, providing electric service, directly or indirectly to the public, or

“(B) a State or political subdivision of a State expressly authorized under State law to finance and own electric transmission facilities.

“(2) Termination.—Subsection (a)(16) shall not apply with respect to any bond issued after December 31, 2012.”

(c) Effective Date.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subtitle E—Revenue Provisions

SEC. 1561. DENIAL OF DEDUCTION FOR MAJOR INTEGRATED OIL COMPANIES FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, GAS, OR PRIMARY PRODUCTS THEREOF.

(a) In General.—Subparagraph (B) of section 199(c)(4) (relating to exceptions) is amended by inserting “or” at the end of clause (ii), by striking the period at the end of clause (ii) and inserting “, or”, and by inserting after clause (iii) the following new clause:

“(iv) in the case of any major integrated oil company (as defined in section 167(h)(5)(B)), the production, refining, processing, transportation, or distribution of oil, gas, or any property derived therefrom during any taxable year described in section 167(h)(5)(B).”.

(b) Primary Product.—Section 199(c)(4)(B) is amended by adding at the end the following flush sentence:

“for purposes of clause (iv), the term ‘primary product’ has the same meaning as when used in section 927(a)(12)(C), as in effect before its repeal.”

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 1562. ELIMINATION OF THE DIFFERENT TREATMENT OF FOREIGN OIL AND GAS EXTRACTION INCOME AND FOREIGN OIL RELATED INCOME FOR PURPOSES OF THE FOREIGN TAX CREDIT.

(a) In General.—Subsections (a) and (b) of section 907 (relating to special rules in case of foreign oil and gas income) are amended to read as follows:

“(a) REDUCTION IN AMOUNT ALLOWED AS FOREIGN TAX UNDER SECTION 901.—In applying section 901, the amount of any foreign oil and gas income (or deemed to have been paid) during the taxable year which would (but for this subsection) be taken into account for purposes of section 901 shall be reduced by the amount (if any) by which the amount of such taxes exceeds the product of—

“(1) the amount of the combined foreign oil and gas income for the taxable year,

“(2) multiplied by

“(A) in the case of a corporation, the percentage which is equal to the highest rate of tax specified under section 11(b), or

“(B) in the case of an individual, a fraction, the numerator of which is the tax against which the credit under section 901(a) is taken and the denominator of which is the taxpayer’s entire taxable income.

“(b) COMBINED FOREIGN OIL AND GAS INCOME; FOREIGN OIL AND GAS TAXES.—For purposes of this section—

“(1) COMBINED FOREIGN OIL AND GAS INCOME.—The term ‘combined foreign oil and gas income’ means combined foreign oil and gas income (determined without regard to section 901) with respect to any taxable year, the sum of—

“(A) foreign oil and gas extraction income, and

“(B) foreign oil related income.

“(2) FOREIGN OIL AND GAS TAXES.—The term ‘foreign oil and gas taxes’ means, with respect to any taxable year, the sum of—

“(A) oil and gas extraction taxes, and

“(B) any income, war profits, and excess profits taxes paid or accrued (or deemed to have been paid or accrued under section 902) during the taxable year with respect to foreign oil related income (determined without regard to subsection (c)(4)) or loss which would be taken into account for purposes of section 901 without regard to this section.”.

(b) Recapture of Foreign Oil and Gas Losses.—Paragraph (4) of section 907(c) (relating to recapture of foreign oil and gas extraction losses by recharacterizing later extraction income) is amended to read as follows:

“(4) RECAPTURE OF FOREIGN OIL AND GAS LOSSES BY RECHARACTERIZING LATER COMBINED FOREIGN OIL AND GAS INCOME.—

“(A) IN GENERAL.—The combined foreign oil and gas income for any taxable year (determined without regard to this paragraph) shall be reduced—

“(i) first by the amount determined under subparagraph (B), and

“(ii) then by the amount determined under subparagraph (C).

“(B) aggregate amount of such reductions shall be treated as income (from sources without the United States) which is not combined foreign oil and gas income.

“(C) Reduction for Post-2007 Foreign Oil Extraction Losses.—The reduction under this paragraph shall be equal to the lesser of

“(i) the foreign oil and gas extraction income of the taxpayer for the taxable year (determined without regard to this paragraph), or

“(ii) the excess of—

“(I) the aggregate amount of foreign oil extraction losses for taxable years beginning after December 31, 2002, and before January 1, 2008, over

“(II) so much of such aggregate amount as was recharacterized under this paragraph (as in effect before and after the date of the enactment of the Clean Renewable Energy and Conservation Tax Act of 2007) for preceding taxable years beginning after December 31, 1982.

“(D) Foreign Oil and Gas Loss Defined.—

“(i) IN GENERAL.—For purposes of this paragraph, the term ‘foreign oil and gas loss’ means the amount by which—

“(I) the gross income for the taxable year from sources without the United States and its possessions (whether or not the taxpayer chooses the benefits of this subpart for such taxable year) taken into account in determining the combined foreign oil and gas income for such year, is exceeded by

“(II) the sum of the deductions properly apportioned or allocated thereto.

“(ii) Net Operating Loss Not Taken into Account.—For purposes of clause (i), the net operating loss deduction allowable for the taxable year under section 172(a) shall not be taken into account.

“(iii) Expropriation and Casualty Losses Not Taken into Account.—For purposes of clause (i), there shall not be taken into account—

“(I) any foreign expropriation loss (as defined in section 172(h) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1980) for the taxable year, or

“(II) any loss for the taxable year which arises from fire, storm, shipwreck, or other casualty, or from theft, to the extent such loss is not compensated for by insurance or otherwise.

“(D) Foreign Oil Extraction Loss.—For purposes of subparagraph (B)(i)(I), foreign oil extraction losses shall be determined under this paragraph as in effect on the day before the date of the enactment of the Clean Renewable Energy and Conservation Tax Act of 2007.”.

(c) Carryback and Carryover of Disallowed Credits.—Subtitle (F) of section 907 (relating to carryback and carryover of disallowed credits) is amended.
(1) by striking “oil and gas extraction taxes” each place it appears and inserting “foreign oil and gas taxes”, and
(2) by adding at the end the following new paragraph:

“(d) Transition Rules for Pre-2008 and 2008 Disallowed Credits.—

“(A) Pre-2008 Credits.—In the case of any unused oil or gas extraction taxes carried from such unused credit year to a year beginning before January 1, 2008, this subsection shall be applied to any unused oil and gas extraction taxes carried from such unused credit year to a year beginning after December 31, 2007—

“(i) by substituting ‘oil and gas extraction taxes’ for ‘foreign oil and gas taxes’ each place it appears in paragraphs (1), (2), and (3), and

“(ii) by computing, for purposes of paragraph (2)(A), the limitation under subparagraph (A) for the year to which such taxes are carried by substituting ‘foreign oil and gas extraction income’ for ‘foreign oil and gas income’ in subsection (a).

“(B) 2008 Credits.—In the case of any unused oil and gas extraction taxes carried from such unused credit year to a year beginning after December 31, 2007—

“(1) the amendments made to this subsection by the Clean Renewable Energy and Conservation Tax Act of 2007 shall be treated as being in effect for the calendar year beginning before January 1, 2008, solely for purposes of determining how much of the unused foreign oil and gas taxes for such unused credit year may be deemed paid or accrued in such preceding year.

“(2) Conforming Amendment.—Section 6551(a) is amended by striking “oil and gas extraction taxes” and inserting “foreign oil and gas taxes”.

“(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 1563. SEVEN-YEAR AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPLORATION EXPENSES FOR CERTAIN MAJOR INTEGRATED OIL COMPANIES.

(a) In General.—Subparagraph (A) of section 612(d)(5) (relating to special rule for major integrated oil companies) is amended by striking “5-year” and inserting “7-year”.

(b) Effective Date.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2007.

SEC. 1564. BROKER REPORTING OF CUSTOMER’S BASIS IN SECURITIES TRANSACTIONS.

(a) In General.—

(1) Broker Reporting for Securities Transactions.—Section 6045 (relating to returns of brokers) is amended by adding at the end the following new subsection:

“(c) Statement of Basis Required in the Case of Securities Transactions.—

“(1) In general.—If a broker is otherwise required to make a return under subsection (a) with respect to the gross proceeds of the sale of a covered security, the broker shall include in such return the information described in paragraph (2).

“(2) Adjusted Basis Determination Required.—

“(A) In general.—The information required under paragraph (1) to be shown on a return with respect to a covered security of a customer shall include the customer’s adjusted basis in such security and whether any gain or loss with respect to such security is long-term or short-term (within the meaning of section 1222).

“(B) Determination of Adjusted Basis.—

“For purposes of subparagraph (A)—

“(i) In General.—The customer’s adjusted basis shall be determined—

“(I) in the case of any stock (other than any stock in an open-end fund), in accordance with the first-in first-out method unless the customer notifies the broker by means of making an adequate identification of the stock sold or transferred,

“(II) in the case of any stock in an open-end fund acquired before January 1, 2011, in accordance with any acceptable method under section 1021 with respect to the account in which such stock was held,

“(III) in the case of any stock in an open-end fund acquired after December 31, 2010, in accordance with the broker’s default method unless the customer notifies the broker that he elects another acceptable method under section 1021 with respect to the account in which such stock is held, and

“(IV) in accordance with the method for making such determination under section 1021.

“(2) Exception for Wash Sales.—Except as otherwise provided by the Secretary, the customer’s adjusted basis shall be determined without regard to section 1091 relating to wash sales of stock or securities unless the transactions occur in the same account with respect to identical securities.

“(3) Covered Security.—For purposes of this subsection—

“(A) In general.—The term ‘covered security’ means any specified security acquired on or after the applicable date if such security—

“(I) was acquired through a transaction in the account in which such security is held, or

“(II) was transferred to such account from an account in which such security was a covered security, but only if the broker received a statement under section 6045A with respect to the transfer.

“(B) Specified Security.—The term ‘specified security’ means—

“(i) any share of stock in a corporation,

“(ii) any note, bond, debenture, or other evidence of indebtedness,

“(iii) any contract for sale, or contract or derivative with respect to such commodity, if the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection, and

“(iv) any other financial instrument with respect to which the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection.

“(C) Applicable Date.—The term ‘applicable date’ means—

“(I) January 1, 2009, in the case of any specified security which is stock in a corporation, and

“(II) January 1, 2011, or such later date determined by the Secretary in the case of any other specified security.

“(3) Open-End Fund.—For purposes of this subsection, the term ‘open-end fund’ means a regulated investment company (as defined in section 851) which is offering for sale or has offered for sale limited partnership interests in any account or “C” series or “D” series of limited partnerships for which it is the issuer and the shares of which are not traded on an established securities exchange.

“(5) Treatment of S Corporations.—In the case of the sale of a covered security acquired after December 31, 2010, by a partnership (other than a financial institution) after December 31, 2010, such S corporation shall be treated in the same manner as a partnership for purposes of this section.

“(6) Special Rules for Short Sales.—

“(A) In general.—Notwithstanding subsection (a), in the case of a short sale under section 1223, reporting under this section shall be made for the year in which such sale is closed.

“(B) Exception for Constructive Sales.—Paragraph (A) shall not apply to any short sale where the grantor of the option, this section shall apply if the proceeds received from such option were gross proceeds reported on the date of the lapse or closing transaction, and the cost (if any) of the closing transaction shall be taken into account as adjusted basis.

“(C) Broker Reporting Related to Substitute Payments.—Subsection (d) of section 6045 is amended—

“(1) by striking ‘at such time and’, and

“(ii) by inserting after ‘other item’ the following new sentence: ‘In the case of the payment made during any calendar year after 2009, the written statement required under the preceding sentence shall be furnished on or before February 15 of the year following the calendar year in which the payment was made.’

“(2) Other Statements.—Subsection (b) of section 6045 is amended by adding at the end the following: ‘In the case of any consolidated reporting statement (as defined in regulations with respect to any account which includes the statement required by this subsection, any statement which would otherwise be required to be furnished on or before January 31 of a calendar year after 2010 under section 6042(c), 6049(c)(2)(A), or 6065n(b) with respect to any item in such account shall instead be required to be furnished on or before February 15 of such calendar year if furnished as part of such consolidated reporting statement’. The amendments made by this section shall be treated as being in effect for purposes of this section.

“(d) Determination of Basis of Certain Securities on Account by Account Method.—Section 1021 (relating to basis of property) is amended—

“(1) by striking ‘The basis of property’ and inserting the following:

“(A) In general.—The basis of property’.

“(B) Special Rule for Appportioned Real Estate Taxes.—The cost of real estate property’, and

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

“(g) Determinations by Account.—

“(1) In general.—In the case of the sale, exchange, or other disposition of a specified
security on or after the applicable date, the conventions prescribed by regulations under this section shall be applied on an account by account basis.

"'(2) the following open-end funds—

"'(A) in general.—Except as provided in subparagraph (B), any stock in an open-end fund acquired before January 1, 2009, shall be treated as acquired from any such stock acquired on or after such date.

"'(B) Election by open-end fund for treatment as single account.—If an open-end fund elects (at such time and in such form and manner as the Secretary may prescribe) to have this subparagraph apply with respect to one or more of its stockholders—

"'(i) such stockholder shall not apply with respect to any stock in such fund held by such stockholders, and

"'(ii) all stock in such fund which is held by such stockholders shall be treated as covered securities described in section 6045(g)(3) without regard to the date of the acquisition of such stock.

A rule similar to the rule of the preceding sentence shall apply with respect to a broker holding stock in an open-end fund as a nominee for a beneficiary holder.

"'(3) Definitions.—For purposes of this section, the terms 'specified security', 'applicable date', and 'open-end fund' shall have the meaning given such terms in section 6045(g).

(c) INFORMATION BY TRANSFERS TO AID BROKERS.—

"'(1) in general.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6045 the following new section:

'SEC. 6045A. INFORMATION REQUIRED IN CONNECTION WITH TRANSFERS OF COVERED SECURITIES TO BROKERS.—

'"'(a) FURNISHING OF INFORMATION.—Every applicable person which transfers to a broker (as defined in section 6045(c)(1)) a security which is a covered security (as defined in section 6045(g)(3)) in the hands of such applicable person shall furnish such broker a written statement in such manner and setting forth such information as the Secretary may by regulations prescribe for purposes of enabling such broker to meet the requirements of section 6045(g).

"'(b) APPLICABLE PERSON.—For purposes of subsection (a), the term 'applicable person' means—

"'(1) any broker (as defined in section 6045(c)(1)), and

"'(2) any other person as provided by the Secretary in regulations.

"'(c) TIME FOR FURNISHING STATEMENT.—Any statement required by subsection (a) shall be furnished not later than the earlier of—

"'(1) 45 days after the date of the transfer described in subsection (a), or

"'(2) January 15 of the year following the calendar year during which such transfer occurred.

"'(2) ASSESSABLE PENALTIES.—Paragraph (2) of section 6724(d) (defining payee statement) is amended by inserting paragraph (I) through (CC) as subparagraphs (J) through (DD), respectively, and by inserting after subparagraph (H) the following new subparagraph:

"'(I) section 6045A relating to information required in connection with transfers of covered securities to brokers.

"'(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6045 the following new item:

'Sec. 6045A. Information required in connection with transfers of covered securities to brokers.'

(d) ADDITIONAL ISSUER INFORMATION TO AID BROKERS.—

'"'(1) in general.—Subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code is amended by inserting after subparagraph (b) of section 6045A the following new subparagraph:

'SEC. 6045B. RETURNS RELATING TO ACTIONS AFFECTING BASIS OF SPECIFIED SECURITIES.—

'"'(a) in general.—According to the forms or regulations prescribed by the Secretary, any issuer of a specified security shall make a return setting forth—

"'(1) a description of any organizational action which affects the basis of such specified security of such issuer,

"'(2) the quantitative effect on the basis of such specified security resulting from such action, and

"'(3) such other information as the Secretary may prescribe.

"'(b) time for filing return.—Any return required by subsection (a) shall be filed not later than the earlier of—

"'(1) 45 days after the date of the action described in subsection (a), or

"'(2) January 15 of the year following the calendar year during which such action occurred.

"'(c) statements to be furnished to holders of specified securities or their nominees.—According to the forms or regulations prescribed by the Secretary, every person required to make a return under subsection (a) with respect to a specified security shall furnish to the nominee with respect to the specified security (or certificate holder if there is no nominee) a written statement showing—

"'(1) the name, address, and phone number of the information contact of the person required to make such return,

"'(2) the information required to be shown on such return with respect to such security, and

"'(3) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the holder on or before January 15 of the year following the calendar year during which the action described in subsection (a) occurred.

"'(d) specified security.—For purposes of this section, 'specified security' means the meaning given such term by section 6045(g)(3)(B).

No return shall be required under this section with respect to actions described in paragraph (1) with respect to a specified security which occur before the applicable date (as defined in section 6045(c)(1)) with respect to such security.

"'(e) public reporting in lieu of return.—The Secretary may waive the requirements under subsections (a) and (c) with respect to a specified security, if the person required to make the return under subsection (a) makes publicly available, in such form and manner as the Secretary determines necessary to carry out the purposes of this section—

"'(1) the name, address, phone number, and email address of the information contact of such person, and

"'(2) the information described in paragraphs (1), (2), and (3) of subsection (a).'

"'(2) ASSESSABLE PENALTIES.—(A) Subparagraph (B) of section 6724(d)(1) of such Code (defining information return) is amended by redesignating clauses (iv) through (xiii) as clauses (v) through (xx), respectively, and by inserting after clause (iii) the following new clause:

"'(iv) section 6045B(a) relating to returns relating to actions affecting basis of specified securities.

"'(B) Paragraph (2) of section 6724(d) of such Code (defining payee statement), as amended by subsection (c)(2), is amended by redesignating subparagraphs (J) through (DD) as subparagraphs (K) through (EE), respectively, and by inserting after subparagraph (I) the following new subparagraph:

"'(J) subsections (c) and (e) of section 6045B relating to returns relating to actions affecting basis of specified securities.

"'(3) clerical amendment.—The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code, as amended by subsection (b)(3), is amended by inserting after the item relating to section 6045A the following new item:

'Sec. 6045B. Returns relating to actions affecting basis of specified securities.'

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2009.

(f) STUDY REGARDING INFORMATION RETURNS.—

'"'(1) in general.—The Secretary of the Treasury shall study the effect and feasibility of delaying the date for furnishing statements under sections 6042(c), 6045, 6049(c)(2)(A), and 6905N(b) of the Internal Revenue Code of 1986 until February 15 following the year to which such statements relate.

"'(2) report.—Not later than 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on the results of the study conducted under paragraph (1). Such report shall include the Secretary's findings regarding—

"'(A) the effect on tax administration of such delay, and

"'(B) other administrative or legislative options to improve compliance and ease burdens on taxpayers and brokers with respect to such statements.

SEC. 1565. EXTENSION OF ADDITIONAL 0.2 PER CENT FUTA TAX (SEC. 401(e)(13)).—

'"'(a) in general.—Section 3301 (relating to rate of tax) is amended—

"'(1) by striking "2007" in paragraph (1) and inserting "2009", and

"'(2) by striking "2008" in paragraph (2) and inserting "2009".

"'(b) effective date.—The amendments made by this section shall apply to wages paid after December 31, 2007.

SEC. 1566. REPEAL OF SUSPENSION OF CERTAIN ELECTIVE DEFERRALS AS ROTH ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS (SEC. 402A(e)(1)).—

'"'(a) in general.—Section 402A is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

"'(b) repeal.—The amendment made by subsection (a) shall apply to notices provided by the Secretary of the Treasury, or his delegate, after December 20, 2007.

SEC. 1567. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.—The percentage under subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 in effect on the date of the enactment of this Act is increased by 6.25 percentage points.

SEC. 1568. AMENDMENT TO PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS.—

'"'(a) extension of time limitation.—Section 6662(a) (relating to failure to file partnership returns) is amended by striking "5 months" and inserting "12 months".

"'(b) increase in penalty.—Paragraph (1) of section 6662(b) is amended by striking "$350" and inserting "$1000".

"'(c) effective date.—The amendments made by this section shall apply to returns required to be filed after the date of the enactment of this Act.

SEC. 1569. PARTICIPANTS IN GOVERNMENT SEC. 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS (SEC. 402A(e)(1)).—

'"'(a) in general.—Section 402A(e)(1) (defining applicable retirement plan) is amended by
by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following: “(C) any elective deferral compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”,

(b) ELECTIVE DEFERRALS.—Section 402(a)(1) (relating to elective deferral) is amended to read as follows: “(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

Subtitle F—Secure Rural Schools

SEC. 1571. SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION PROGRAM.

(a) RA TABORIZATION OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000.—The Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393) is amended by striking sections 1 through 403 and inserting the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘Secure Rural Schools and Community Self-Determination Act of 2007.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to stabilize and transition payments to counties to provide funding for schools and roads that supplements other available funds;

(2) to make additional investments in, and create additional employment opportunities through, projects that—

(A) improve the maintenance of existing infrastructure;

(B) implement stewardship objectives that enhance forest ecosystems; and

(C) restore and improve land health and water quality;

(3) to provide broad-based support; and

(4) to have objectives that include—

(i) road, trail, and infrastructure maintenance or obliteration;

(ii) reforestation or reestablishment; and

(iii) improvements in forest ecosystem health;

(5) to provide watershed restoration and maintenance;

(6) to reduce the number of acres of Federal land described in section 710(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600(a)) exclusive of the National Grasslands and land utilization projects designated as National Grassland administrators pursuant to the Act of July 22, 1937 (7 U.S.C. 1010–1012); and

(7) to ensure the payment of an eligible county calculated under section 101(b).

(8) 50-PERCENT ADJUSTED SHARE.

The term ‘50-percent adjusted share’ means the number equal to the quotient obtained by dividing—

(A) the number equal to the quotient obtained by dividing—

(i) the number of acres of Federal land described in paragraph (7)(A) in each eligible county; by

(ii) the total number of acres of Federal land in all eligible counties in all eligible States; and

(B) the quotient obtained by dividing—

(i) the amount equal to the average of the 3 highest 25-percent payments and safety net payments made to each eligible county for each eligible county during the eligibility period; by

(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (9)(B)(ii) for all eligible counties in all eligible States during the eligibility period.

(9) COUNTY PAYMENT.

The term ‘county payment’ means the payment for an eligible county calculated under section 101(b).

(10) ELIGIBLE COUNTY.

The term ‘eligible county’ means any county that—

(A) contains Federal land (as defined in paragraph (7)); and

(B) elects to receive a share of the State payment or the county payment under section 102(b).

(11) ELIGIBILITY PERIOD.

The term ‘eligibility period’ means fiscal year 1986 through fiscal year 1995.

(12) ELIGIBLE STATE.

The term ‘eligible State’ means a State or territory of the United States that received a 25-percent payment for 1 or more fiscal years of the eligibility period.

(13) FEDERAL LAND.

The term ‘Federal land’ means—

(A) land within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600(a)) exclusive of the National Grasslands and land utilization projects designated as National Grasslands administrators pursuant to the Act of July 22, 1937 (7 U.S.C. 1010–1012); and

(B) portions of the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land as are or may hereafter come under the jurisdiction of the Department of the Interior, which have heretofore or may hereafter be classified as timberlands, and power-site land valuable for timber, that shall be managed, except as provided under section 5 of the Act of August 28, 1937 (50 Stat. 875; 43 U.S.C. 1181c), for permanent forest production.

(14) 50-PERCENT ADJUSTED SHARE.

The term ‘50-percent adjusted share’ means the number equal to the quotient obtained by dividing—

(A) the number equal to the quotient obtained by dividing—

(i) the 50-percent base share for the eligible county; by

(ii) the income adjustment for the eligible county; and

(B) the quotient obtained by dividing—

(i) the amount equal to the average of the 3 highest 25-percent payments and safety net payments made to each eligible county during the eligibility period; by

(ii) the full funding amount for the preceding fiscal year.

(15) INCOME ADJUSTMENT.

The term ‘income adjustment’ means the square of the quotient obtained by dividing—

(A) the per capita personal income for each eligible county; by

(B) the median per capita personal income of all eligible counties.

(16) FEDERAL INCOME.

The term ‘per capita personal income’ means the most recent per capita personal income data, as determined by the Bureau of Economic Analysis.

(17) SAFETY NET PAYMENTS.

The term ‘safety net payments’ means the special payment amounts paid to States and counties required by section 13892 or 13893 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

(18) SECRETARY CONCERNED.

The term ‘Secretary concerned’ means—

(A) the Secretary of Agriculture or the designee of the Secretary of Agriculture with respect to the Federal land described in paragraph (7)(A); and

(B) the Secretary of the Interior or the designee of the Secretary of the Interior with respect to the Federal land described in paragraph (7)(B).

(19) STATE PAYMENT.

The term ‘State payment’ means the payment for an eligible State calculated under section (a).

(20) FULL FUNDING AMOUNT.

The term ‘full funding amount’ means the sum of the amounts paid to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.).

(21) FULL FUNDING AMOUNT.

The term ‘full funding amount’ means the amount equal to the sum of the amounts calculated under clause (i) and paragraph (2)(B)(i) for all eligible counties in all eligible States during the eligibility period.

(22) 50-PERCENT PAYMENT.

The term ‘50-percent payment’ means the payment that is the sum of the 50-percent share otherwise payable to each county payment pursuant to title II of the Act of August 28, 1937 (chapter 786; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.).

(23) TITLE 1.—The term ‘full funding amount’ means—

(A) $600,000,000 for fiscal year 2008; and

(B) for fiscal year 2009 and each fiscal year thereafter, the amount that is equal to 85 percent of the full funding amount for the preceding fiscal year.

(24) TITLE II.—The term ‘income adjustment’ means the square of the quotient obtained by dividing—

(A) the per capita personal income for each eligible county; by

(B) the median per capita personal income of all eligible counties.

(25) TITLE III.—The term ‘grant’ means the special payment amounts paid to States and counties required by section 13892 or 13893 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

(26) TITLE IV.—The term ‘grant’ means the special payment amounts paid to States and counties required by section 13892 or 13893 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

(27) TITLE V.—The term ‘grant’ means the special payment amounts paid to States and counties required by section 13892 or 13893 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

TITLE 1—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LAND

SEC. 101. SECURE PAYMENTS FOR STATES CONTAINING FEDERAL LAND.

(a) STATE PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of Agriculture shall calculate for each eligible State an amount equal to the sum of the payments obtained by multiplying—

(A) the adjusted share for each eligible county within the eligible State; by

(B) the full funding amount for the fiscal year.

(b) COUNTY PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of the Interior shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the product obtained by multiplying—

(A) the 50-percent adjusted share for the eligible county; by

(B) the full funding amount for the fiscal year.
SEC. 102. PAYMENTS TO STATES AND COUNTIES.

(1) PAYMENT AMOUNTS.—Except as provided in section 103, the Secretary of the Treasury shall pay to—

(A) the State Territory of the United States an amount equal to the sum of the amounts elected under subsection (b) by each county in such territory, reduced by—

(A) if the county is eligible for the 25-percent payment, the share of the 25-percent payment; or

(B) if the county is eligible for the 50-percent payment, the share of the 50-percent payment; or

(C) if neither subsection (b)(1) nor (b)(2) applies, the adjusted amount under section 102(b).

(2) The Secretary shall pay to—

(A) the State in accordance with paragraph (1)

(B) the county for the eligible county;

(C) the county for the eligible county in accordance with subsection (b)(1); or

(D) the county for the eligible county in accordance with subsection (b)(2).
TITLE II—SPECIAL PROJECTS ON FEDERAL LAND

SEC. 201. DEFINITIONS.

In this title:

(1) participating county.—The term ‘participating county’ means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

(2) project funds.—The term ‘project funds’ means all funds an eligible county receives under section 102(d) to reserve for expenditure in accordance with this title.

(3) resource advisory committee.—The term ‘resource advisory committee’ means—

(A) a committee established by the Secretary concerned under section 203; or

(B) an advisory committee determined by the Secretary concerned to meet the requirements of this title.

(4) resource management plan.—The term ‘resource management plan’ means—

(A) a land use plan prepared by the Bureau of Land Management for units of the Federal land described in section 3(7); or

(B) a land and resource management plan prepared by the Forest Service for units of the National Forest System pursuant to section 610 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712); or

(5) secretarial determination.—The term ‘secretarial determination’ means the determination of the Secretary concerned to meet the requirements of this title.

(6) voter approval.—The term ‘voter approval’ means approval by the people of an area described in section 102(b) who reside in an area primarily for its benefit.

(7) voter approved.—The term ‘voter approved’ means approved by the people of an area described in section 102(b) who reside in the area primarily for its benefit.

SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

(a) limitation.—Project funds shall be expended solely on projects that meet the requirements of this title.

(b) authorized uses.—Project funds may be used by the Secretary concerned for the purpose of entering into and implementing cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of this Act on Federal land and on non-Federal land where projects would benefit the resources on Federal land.

SEC. 203. SUBMISSION OF PROJECT PROPOSALS.

(a) submission of project proposals to secretary.—

(1) projects funded using project funds.—Not later than September 30 for fiscal year 2006, and each September 30 thereafter, the Secretary concerned shall submit to the Secretary concerned a description of any projects that the resource advisory committee proposes the Secretary undertake using any project funds reserved by eligible counties in the area in which the resource advisory committee has geographic jurisdiction.

(2) projects funded using other funds.—A resource advisory committee may submit to the Secretary concerned a description of projects that the committee proposes the Secretary undertake using funds from State or local governments, or from the private sector, other than project funds and funds appropriated and otherwise available to do similar work.

(3) joint projects.—Participating counties or other persons may propose to pool project funds and other funds, described in paragraph (2), and jointly propose a project or group of projects to a resource advisory committee established under section 205.

(b) description of projects.—In submitting proposed projects to the Secretary concerned under subsection (a), a resource advisory committee shall include in the description of each proposed project the following information:

1. The purpose of the project and a description of how the project will meet the purposes of this title.

2. The anticipated duration of the project.

3. The anticipated cost of the project.

4. The proposed source of funding for the project, whether project funds or other funds.

5. Expected outcomes, including how the project will meet or exceed desired ecological conditions, maintenance objectives, or stewardship objectives.

6. An estimate of the amount of any timber, forage, and other commodities and other economic activity, including jobs generated, if any, anticipated as part of the project.

7. A detailed monitoring plan, including funding needs and sources, that—

(A) tracks and identifies the positive or negative impacts of the project, implementation, and provides for validation monitoring; and

(B) includes an assessment of the following:

(i) Whether or not the project met or exceeded desired ecological conditions; created local employment or training opportunities, including summer youth jobs programs such as the Youth Conservation Corps where appropriate.

(ii) Whether the project improved the use of, or added value to, any products removed from land consistent with the purposes of this title.

(iii) An assessment that the project is to be in the public interest.

(c) authorized projects.—Projects proposed under subsection (a) shall be consistent with section 2.

SEC. 204. EVALUATION AND APPROVAL OF PROPOSED PROJECTS BY SECRETARY CONCERNED.

(a) conditions for approval of proposed project.—The Secretary concerned may make a decision to approve a project submitted by a resource advisory committee under section 203 only if the proposed project satisfies each of the following conditions:

1. The project complies with all applicable Federal laws (including regulations).

2. The project is consistent with the applicable resource management plan and with any water quality plan developed pursuant to the resource management plan and approved by the Secretary concerned.

3. The project is approved by the resource advisory committee in accordance with section 205, including the procedures issued under subsection (e) of that section.

4. A project description has been submitted by the resource advisory committee to the Secretary concerned in accordance with section 203.

5. The project will improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and water quality.

(b) environmental reviews.—

1. request for payment by county.—The Secretary concerned may request the resource advisory committee to conduct an environmental review of a project submitted by a resource advisory committee under section 203 only if the project meets the condition described in paragraph (1).

2. conduct of environmental review.—If a project is proposed to be approved by paragraph (1), the Secretary concerned shall conduct an environmental review of the project, including an assessment of any environmental review conducted by another jurisdiction.

3. effect of refusal to pay.—

(a) in general.—If a resource advisory committee does not agree to the expenditure of funds under paragraph (1), the project shall not be approved and withdrawn from further consideration by the Secretary concerned pursuant to this title.

(b) effect of withdrawal.—A withdrawal under paragraph (A) shall not be deemed to be a rejection of the project for purposes of section 207(c).

(c) decisions of secretary concerned—

1. rejection of projects.—

(a) in general.—A decision by the Secretary concerned to reject a proposed project shall be at the sole discretion of the Secretary concerned.

(b) no administrative appeal or judicial review.—Notwithstanding any other provision of law, a decision by the Secretary concerned to reject a proposed project shall not be subject to administrative appeal or judicial review.

2. notice of rejection.—Not later than 30 days after the date on which the Secretary concerned makes the rejection decision, the Secretary concerned shall notify in writing the resource advisory committee that submitted the proposed project of the rejection and the reasons for rejection.

3. notice of project approval.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if the notice would be required had the project originated with the Secretary.

4. source and conduct of project.—Once the Secretary concerned accepts a project for review under section 203, the acceptance shall be deemed a Federal action for all purposes.

5. implementation of approved projects.—

(a) cooperation.—Notwithstanding chapter 63 of title 31, United States Code, using the proceeds of project funds the Secretary concerned may enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

(b) best value contracting.—

1. in general.—For any project involving a contract authorized by paragraph (1) the Secretary concerned may elect a source for performance of the contract on a best value basis.

2. factors.—The Secretary concerned shall determine best value based on such factors as—

(i) the technical demands and complexity of the work to be done;

(ii) the ecological objectives of the project; and

(iii) the sensitivity of the resources being treated;

(iv) the past experience by the contractor with the type of work being done, using the type of equipment involved in the project;

(v) the commitment of the contractor to hiring highly qualified workers and local residents.

(c) mercantile timber contracting pilot program.—

1. establishment.—The Secretary concerned shall establish a pilot program to implement a certain percentage of approved projects involving the sale of merchantable timber within separate contracts for—

(i) the harvesting or collection of merchantable timber; and

(ii) the sale of the timber.

(d) annual percentages.—Under the pilot program, the Secretary concerned shall ensure that, on a nationwide basis, not less...
than the following percentage of all approved projects involving the sale of merchantable timber are implemented using separate contracts:

(i) For Federal fiscal year 2008, 35 percent.
(ii) For Federal fiscal year 2009, 45 percent.
(iii) For each of fiscal years 2010 and 2011, 50 percent.

(2) Division in Pilot Program.—The decision whether to use separate contracts to implement a project involving the sale of merchantable timber shall be made by the Secretary concerned after the approval of the project under this title.

(3) Assistance.—

(i) In General.—The Secretary concerned may provide any appropriated amount available to the Secretary for the Federal land to assist in the administration of projects conducted under the pilot program.

(ii) Maximum Amount of Assistance. —The total amount obligated under this subparagraph may not exceed $1,000,000 for any fiscal year during which the pilot program is in effect.

(4) Review and Report.—

(i) Initial Report.—Not later than September 30, 2008, the Comptroller General shall report to Congress on the number of projects conducted under the pilot program and the results of the project.

(ii) Annual Report.—The Secretary concerned shall submit to the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate and the Committees on Agriculture and Natural Resources of the House of Representatives an annual report describing the results of the pilot program.

(5) Requirements for Project Funds.—The Secretary shall ensure that at least 50 percent of all project funds be used for projects that are primarily dedicated—

(A) to road maintenance, decommissioning, or obliteration; or
(B) to restoration of streams and wetlands.

(6) SEC. 205. RESOURCE ADVISORY COMMITTEES.

(a) Establishment and Purpose of Resource Advisory Committees.—

(1) Establishment.—The Secretary concerned shall establish and maintain resource advisory committees to perform the duties in subsection (b), except as provided in paragraph (4).

(2) Purpose.—The purpose of a resource advisory committee shall be—

(A) to improve collaborative relationships; and
(B) to provide advice and recommendations to the land management agencies consistent with the purposes of this title.

(3) Access to Resource Advisory Committees.—To ensure that each unit of Federal land has access to a resource advisory committee, the Secretary concerned shall establish and maintain resource advisory committees for Federal land, including national forests, on a working basis.

(b) Duties.—A resource advisory committee shall—

(1) review projects proposed under this title by participating counties and other persons;

(2) propose projects and funding to the Secretary concerned under section 203;

(3) provide early and continuous coordination with affected land management agency officials in recommending projects consistent with purposes of this Act under this title;

(4) provide frequent opportunities for citizens, organizations, tribes, land management agencies, and other interested parties to participate openly and meaningfully, beginning at the early stages of the project development process under this title;

(5) monitor projects that have been approved under subsections (a) and (b);

(6) make recommendations to the Secretary concerned for appropriate changes or adjustments to the projects being monitored by the resource advisory committee.

(c) Appointment by the Secretary.—

(1) Appointment and Term.—

(A) In General.—The Secretary concerned shall appoint members of resource advisory committees for a term of 4 years, renewable for a second term.

(B) Reappointment.—The Secretary concerned may reappoint members to subsequent 4-year terms.

(2) Basic Requirements.—The Secretary concerned shall ensure that each resource advisory committee established meets the requirements of subsection (d).

(3) Initial Appointment.—Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall make initial appointments to the resource advisory committee.

(4) Vacancies.—The Secretary concerned shall make appointments to fill vacancies on any resource advisory committee as soon as practicable after the vacancy has occurred.

(5) Compensation.—Members of the resource advisory committees shall not receive any compensation.

(d) Composition of Advisory Committee.—

(1) Number.—Each resource advisory committee shall be comprised of 15 members.

(2) Community Interests Represented.—Community interests represented by resource advisory committees shall include representative of the interests of the following 3 categories:

(A) 5 persons that—

(i) represent organized labor or non-timber forest product harvester groups;

(ii) represent developed outdoor recreation, off highway vehicle users, or commercial recreation activities;

(iii) represent energy and mineral development interests;

(iv) represent commercial or recreational fishing interests; or

(v) represent the affected public at large.

(B) 5 persons that represent—

(i) nationally recognized environmental organizations;

(ii) regionally or locally recognized environmental organizations;

(iii) dispersed recreational activities;

(iv) archaeological and historical interests; or

(v) Indian tribes or other organizations of historically affiliated United States tribes.

(C) 5 persons that—

(i) represent the affected public at large.

(ii) hold State elected office (or a designation of State official);

(iii) hold county or local elected office;

(iv) represent persons residing within the area for which the committee is organized;

(v) are school officials or teachers; or

(vi) represent the affected public at large.

(3) Appointments by the Secretary.—The Secretary concerned shall appoint representatives from within each category.

(4) Meetings.—All meetings of a resource advisory committee shall be held in the State in which the committee is organized.

(5) Quorum.—A quorum is comprised of a majority of the membership of the committee.

(6) Quorum Procedure.—A quorum is comprised of a majority of the membership of the committee.

(7) Minutes.—Minutes of meetings of the committee are kept by the Secretary concerned.

(8) Records.—Minutes of meetings of the committee are kept by the Secretary concerned.

(9) Records.—Minutes of meetings of the committee are kept by the Secretary concerned.

(10) Financial Assistance.—A quorum is comprised of a majority of the membership of the committee.

(11) Financial Assistance.—A quorum is comprised of a majority of the membership of the committee.

(12) Financial Assistance.—A quorum is comprised of a majority of the membership of the committee.

SEC. 206. USE OF PROJECT FUNDS.

(a) Agreement Regarding Schedule and Cost of Project.—

(1) Agreement Between Parties.—The Secretary concerned may carry out a project submitted by a resource advisory committee under section 203(a) using project funds or other funds described in section 203(a)(2), if, as soon as practicable after the issuance of a decision document for the project and the exhaustion of all administrative appeals and judicial review of the project decision, the Secretary concerned and the resource advisory committee enter into an agreement addressing, at a minimum, the following:

(A) The schedule for completing the project.

(B) The total cost of the project, including the level of agency overhead to be assessed against the project.
(C) For a multiyear project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

(D) The remedies for failure of the Secretary concerned to comply with the terms of the agreement consistent with current Federal law.

(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide to use the discretion of the Secretary concerned, to cover the cost of a portion of an approved project using Federal funds appropriated or otherwise made available to the Secretary for the same purposes as the project.

(b) Transfer of Project Funds.—

(1) Initial transfer required.—As soon as project agreements are approved under subsection (a) with regard to a project fund to be funded in whole or in part using project funds, or other funds described in section 203(a)(2), the Secretary concerned shall transfer to the applicable unit of National Forest System land or Bureau of Land Management an amount of project funds equal to—

(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2); or

(B) in the case of a multiyear project, the amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2) for the first fiscal year.

(2) Condition on project commencement.—The National Forest System land or Bureau of Land Management concerned shall not commence on or after the date on which the amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

(c) Transfer of funds for multiyear projects.—

(A) In general.—For the second and subsequent fiscal years of a multiyear project to be funded in whole or in part using project funds, the unit of National Forest System land or Bureau of Land Management concerned shall use the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a).

(B) Suspension of work.—The Secretary concerned may not proceed with a project in which if the project funds required by the agreement in the second and subsequent fiscal years are not available.

SEC. 202. USE OF COUNTY FUNDS.

(a) Authorization of Use.—A participating county, including any applicable agencies of the county that receive Federal assistance for the project, shall use county funds, in accordance with this title, only—

(1) to create community wildfire protection plans in coordination with the appropriate local government that can increase the protection of people and property from wildfires;

(2) to reimburse the participating county for search and rescue and other emergency services, including firefighting, that are—

(A) performed on Federal land after the date on which the use was approved under subsection (b); and

(B) paid for by the participating county; and

(3) to develop community wildfire protection plans in coordination with the appropriate local government.

(b) Proposals.—A participating county shall use county funds for a use described in subsection (a) only after a 45-day public comment period, at the beginning of which the participating county shall—

(1) publish in any publications of local record a proposal that describes the proposed use of the county funds; and

(2) submit the proposal to any resource advisory committee established under section 205 for the participating county.

(c) Certification.—

(1) In general.—Not later than February 1 of each year in which any county funds were expended by a participating county, the county shall submit to the Secretary concerned a certification that the county funds expended in the applicable year have been used for an activity for which the uses for which the amounts expended were.

(2) Review.—The Secretary concerned shall review any proposal submitted under subsection (a) as the Secretary concerned determines to be appropriate.

(d) Effect of Certification.—(1) In general.—If the Secretary concerned certifies that funds were used for an activity for which the uses for which the amounts expended were.

(2) Effect of Certification.—(1) In general.—If the Secretary concerned certifies that funds were used for an activity for which the uses for which the amounts expended were.

(b) Availability.—Any county funds not obligated by September 30, 2012, shall be returned to the Treasury of the United States.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. REGULATIONS.

The Secretary of Agriculture and the Secretary of the Interior shall issue regulations to carry out the purposes of this Act.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

The amounts authorized by this section may be appropriated such sums as are necessary to carry out this Act for each of fiscal years 2008 through 2011.

SEC. 403. TREATMENT OF FUNDS AND REVENUES.

(a) Relation to Other Appropriations.—Funds made available under section 402 are authorized to be spent for purposes of this Act.

(b) Deposit of Revenues and Other Funds.—Such sums as are necessary to carry out the purposes of this Act shall be deposited in the Treasury of the United States.

FOREST RECIPIENT PAYMENTS TO ELIGIBLE STATES AND COUNTIES

(1) Act of May 23, 1908.—The sixth paragraph under the heading ‘‘FOREST SERVICE, AND REVENUES RECEIVED FROM THE SALE OF TIMBER’’ of the Act of May 23, 1908 (16 U.S.C. 506) is amended by adding at the end the following:—

‘‘(c) Effect of Certification.—(1) In general.—If the Secretary concerned certifies that funds were used for an activity for which the uses for which the amounts expended were.

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and the Senate, and under the Congressional Budget Act of 1974 (2 U.S.C. 601 et seq.) as if Payment in Lieu of Taxes (14-1114-0-1-806) were an account designated as Appropriated Entitlements and Mandatories for Fiscal Year 1997 in the joint explanatory statement of the committee of conference accompanying Conference Report 105-217.

SEC. 1941. EFFECTIVE DATE.

This Act and the amendments made by this Act take effect on the date that is 1 day after the date of enactment of this Act.

SA 3842. Mr. REID proposed an amendment to amendment SA 3841 proposed by Mr. REID to the bill H.R. 6, to move the United States toward greater energy independence and security, to increase the energy efficiency of products, buildings, and vehicles, to promote research on and deploy greenhouse gas capture and storage technologies, to improve the energy performance of the Federal Government, and for other purposes; as follows:

At the end of the amendment add the following:

This section shall take effect one day after the date of this bill’s enactment.

SA 3843. Mr. FEINGOLD (for himself and Mr. MENENDEZ) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, insert the following:

Subtitle H—Flexible State Funds

SEC. 1941. OFFSET.

(A) General.—(1) IN GENERAL.—Except as provided in paragraph (3) and notwithstanding any other provision of this Act, for the period beginning on October 1, 2007, and ending on September 30, 2012, the Secretary shall reduce the total amount of payments described in paragraph (2) received by the producers on a farm for fiscal years 2008 through 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, insert the following:

Subtitle H—Flexible State Funds

SEC. 1941. EFFECTIVE DATE.

This Act and the amendments made by this Act take effect on the date that is 1 day after the date of enactment of this Act.
(J) to provide organic certification cost share or transition funds under the national organic program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.); and
(K) to provide grants under the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001);

(L) to provide grants under the Farmers’ Market Promotion Program established under section 601 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3050); (M) to provide vouchers for the seniors nutrition program established under section 4001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007);
(N) to provide vouchers for the farmers’ market nutrition program established under section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m));
(O) to provide grants to improve access to local foods and school gardens under section 18(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(i)); and
(P) subject to paragraph (2), to provide additional commodity and formula commodities for use by the State for any of—
(i) the fresh fruit and vegetable program under section 19 of the Richard B. Russell National School Lunch Act (as added by section 4903);
(ii) the commodity supplemental food program established under section 6 of the Agriculture and Food Act of 1966 (7 U.S.C. 1628c)(note; Public Law 93-86);
(iii) the emergency food assistance program established under the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.);
(iv) the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766);
and
(v) the food distribution program on Indian reservations established under section 4(b) of the Food and Nutrition Act of 2007 (7 U.S.C. 2013(b)).

(2) WAIVERS.—
(A) IN GENERAL.—The Secretary may waive a local or regional purchase requirement under any program described in clauses (i) through (v) of paragraph (1)(P) if the applicable State board demonstrates to the satisfaction of the Secretary that a sufficient quantity or quality of a local or regional product is not available.
(B) EFFECT.—A product purchased by a State that qualifies as a waiver under subparagraph (A) in lieu of a local or regional product shall be produced in the United States.

d. MAINTENANCE OF EFFORT.—Funds made available to a program of a State under this section shall be in addition to, and shall not supplant, any other funds provided to the program by the Federal Government, State, or local law (including regulations).

e. EVALUATION AND REPORT.—Not later than March 1, 2012, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry a report containing the evaluation and recommendations required under this subsection.

SEC. 1945. GRANTS TO IMPROVE TECHNICAL INFRASTRUCTURE AND IMPROVE QUALITY OF RURAL HEALTH CARE FACILITIES.

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) (as amended by section 6026) is amended by adding at the end the following:

SEC. 378F. GRANTS TO IMPROVE TECHNICAL INFRASTRUCTURE AND QUALITY OF RURAL HEALTH CARE FACILITIES.

(a) DEFINITIONS.—In this section:

(1) HEALTH INFORMATION TECHNOLOGY.—The term ‘health information technology’ includes total expenditures incurred for—

(A) purchasing, leasing, and installing computer software and hardware, including handheld computer technologies, and related services;
(B) making improvements to computer software and hardware;
(C) purchasing or leasing communications equipment and related services, including data with well-established national treatment guidelines;
(D) services associated with acquiring, implementing, operating, or optimizing the use of computer software and hardware and clinical and health care informatics systems;
(E) providing education and training to rural health facility staff on information systems and related businesses to improve patient safety and quality of care; and
(F) purchasing, leasing, subscribing, or servicing support to establish interoperability that—

(i) integrates patient-specific clinical data with well-established national treatment guidelines;
(ii) provides continuous quality improvement functions that allow providers to assess improvement rates over time and against averages for similar providers; and
(iii) integrates with larger health networks.

(2) RURAL AREA.—The term ‘rural area’ means any area of the United States that is not—

(A) included in the boundaries of any city, town, borough, or village, whether incorporated or unincorporated, with a population of more than 20,000 residents; or
(B) an urbanized area contiguous and adjacent to such a city, town, borough, or village.

(3) RURAL HEALTH FACILITY.—The term ‘rural health facility’ means any—

(A) hospital (as defined in section 3(10) of the Social Security Act (42 U.S.C. 1395x(e)));
(B) a critical access hospital (as defined in section 1861(m)(2) of that Act (42 U.S.C. 1395x(m)));
(C) a Federally qualified health center (as defined in section 1861(aa) of that Act (42 U.S.C. 1395x(aa))) that is located in a rural area;
(D) a rural health clinic (as defined in that section (42 U.S.C. 1395x(aa));
(E) a provider of services to small rural hospital (as defined in section 1861(d)(5)(G) of that Act (42 U.S.C. 1395w(d)(5)(G)); and
(F) a physician or physician group practice that—

(i) serves a rural area;

(ii) is owned or operated by a rural health facility; and

(iii) has a mission to provide services to rural health facilities for the purpose of assisting the rural health facilities in—

(1) purchasing health information technology to improve the quality of health care or patient safety; or

(2) otherwise improving the quality of health care or patient safety, including through the development of—

(A) quality improvement support structures to assist rural health facilities and professionals;

(B) to increase integration of personal and population health services; and

(C) to address safety, effectiveness, patient- or community-centeredness, timeliness, efficiency, and equity; and

(D) to provide training and performance improvement assistance to assist rural health professionals in improving quality of care.

(b) ELIGIBILITY.—

(1) IN GENERAL.—A rural health facility that receives a grant under this section shall provide to the Secretary such information as the Secretary may require—

(i) to evaluate the project for which the grant is used; and

(ii) to ensure that the grant is expended for the purposes for which the grant was provided.

(2) AUTHORIZATION OF APPROPRIATIONS.—The sums authorized to be appropriated to the Secretary to carry out this section are such sums as are necessary for each of fiscal years 2008 through 2012.”.

SA 3844. Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) proposed an amendment to amendment SA 3830 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, and Mr. GREGG) to the general rule. Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; as follows:

In lieu of the matter to be inserted insert the following:

Subtitle —Public Safety Officers

SEC. 1. SHORT TITLE. This subtitle may be cited as the “Public Safety Employer-Employee Cooperation Act of 2007”.

SEC. 2. DECLARATION OF PURPOSE AND POLICY.

The Congress declares that the following is the policy of the United States:

(1) Labor-management relationships and partnerships are based on trust, mutual respect, open communication, bilateral concern for problem solving, and shared accountability.

Labor-management cooperation fully utilizes the strengths of both parties to best serve the interests of the public, operate effectively, and carry out the public safety mission in a quality work environment.

In many public safety agencies it is the union that provides the institutional stability as elected leaders and appointees come and go.

(2) State and local public safety officers play an essential role in the efforts of the United States to detect, prevent, and respond to major incidents, major natural disasters, and other major emergencies. Public safety employer-employee cooperation is essential in

December 12, 2007
meeting these needs and is, therefore, in the National interest.

(3) The Federal Government needs to encourage conciliation, mediation, and voluntary, final and binding procedures for the resolution of disputes, and to encourage such procedures for all employees and the representatives of their employers to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to provide for any applicable agreement for the settlement of disputes.

(4) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(5) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(6) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(7) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(8) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(9) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officials, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing for uniform standards for collective bargaining and obtaining negotiations in the public safety sector can prevent industrial strife between public safety employers and employees to reach and maintain agreements with the essential requirements of this subtitle; and

(10) STATE.—The term “STATE” means each of the several States of the United States, the District of Columbia, and any territory or possession of the United States.

(11) SUBSTANTIALLY PROVIDES.—The term “substantially provides” means compliance with the essential requirements of this subtitle, specifically, the right to form and join labor organizations, the right to bargain over wages, hours, and conditions of employment, the right to seek an enforceable contract, and the availability of some form of mechanism to resolve disputes such as arbitration, mediation, or fact-finding.

(12) SUPERVISORY EMPLOYEE.—The term “supervisory employee” means each employee who substantially provides out-of-hospital emergency medical services personnel.

SEC. 5. ROLE OF FEDERAL LABOR RELATIONS AUTHORITY.

(a) In General.—Not later than 180 days after the date of enactment of this subtitle, the Authority shall issue regulations in accordance with this section and in accordance with regulations prescribed by the Authority.

(b) Role of the Federal Labor Relations Authority.—The Authority, to the extent necessary and appropriate, shall take such actions as are necessary and appropriate to effectively administer this subtitle and in accordance with regulations prescribed by the Authority under section (4).
subsections (c) and (d) of section 7123 of title 5, United States Code.

(2) PRIVATE RIGHT OF ACTION.—Unless the Authority has filed a petition for enforcement as provided in paragraph (1), any party has the right to file suit in a State court of competent jurisdiction to enforce compliance with the regulations issued by the Authority pursuant to section (b), and to the extent required by any individual elected by popular vote or appointed to serve on a board or commission.

(b) CONGRESS.—On receipt of the proposed legislation described in subsection (a), the appropriate committees of Congress may hold such hearings and carry out such other activities as are necessary for appropriate consideration of the recommendations for statutory language contained in the report and the proposed legislation.

(c) SENSE OF SENATE.—It is the sense of the Senate that—

(1) it is vital for Congress to provide to food safety agencies of the Federal Government, including the Department of Agriculture, the Food and Drug Administration, additional resources, and direction with respect to ensuring the safety of the food supply of the United States;

(2) additional inspectors are required to improve the ability of the Federal Government to safeguard the food supply of the United States;

(3) use of the increasing volume of international trade in food products, the Federal Government should give priority to entering into agreements with trading partners in the United States with respect to food safety; and

(4) based on the report of the Commission referred to in subsection (a) and the proposed legislation referred to in subsection (b), Congress should work toward a comprehensive legislative response to the issue of food safety.

SA 3846. Mr. HARKIN (for Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill S. 2271, to authorize State and local governments to direct banks in the United States to conduct business operations in Sudan, to prohibit United States Government contracts with such companies, and for other purposes; as follows:

On page 5, line 20, insert “parent company,” after “subunit,”.

On page 7, strike lines 1 through 5.

On page 9, line 18, insert “or” after the semicolon.

On page 9, strike lines 19 through 21.

On page 9, line 22, strike “(G)” and insert “(F)”.

On page 10, between lines 8 and 9, insert the following:

SEC. 1170. ACTION BY PRESIDENT AND CONGRESS BASED ON REPORT.

(a) PRESIDENT.—Not later than 180 days after the date on which the Congressional Bi-partisan Food Safety Commission established by section 11060(a)(1)(A) submits to the President and Congress required under section 11060(b)(3), the President shall—

(1) review the report; and

(2) submit to Congress a proposed legislation based on the recommendations for statutory language contained in the report, together with an explanation of the differences, if any, between the recommendations for statutory language contained in the report and the proposed legislation.

(b) CONGRESS.—On receipt of the proposed legislation described in subsection (a), the appropriate committees of Congress may hold such hearings and carry out such other activities as are necessary for appropriate consideration of the recommendations for statutory language contained in the report and the proposed legislation.

In lieu of the matter proposed to be inserted, insert the following:

SEC. 1170. ACTION BY PRESIDENT AND CONGRESS BASED ON REPORT.

(a) PRESIDENT.—Not later than 180 days after the date on which the Congressional Bi-partisan Food Safety Commission established by section 11060(a)(1)(A) submits to the President and Congress required under section 11060(b)(3), the President shall—

(1) review the report; and

(2) submit to Congress a proposed legislation based on the recommendations for statutory language contained in the report, together with an explanation of the differences, if any, between the recommendations for statutory language contained in the report and the proposed legislation.

(b) CONGRESS.—On receipt of the proposed legislation described in subsection (a), the appropriate committees of Congress may hold such hearings and carry out such other activities as are necessary for appropriate consideration of the recommendations for statutory language contained in the report and the proposed legislation.

(c) SENSE OF SENATE.—It is the sense of the Senate that—

(1) it is vital for Congress to provide to food safety agencies of the Federal Government, including the Department of Agriculture, the Food and Drug Administration, additional resources, and direction with respect to ensuring the safety of the food supply of the United States;

(2) additional inspectors are required to improve the ability of the Federal Government to safeguard the food supply of the United States;

(3) use of the increasing volume of international trade in food products, the Federal Government should give priority to entering into agreements with trading partners in the United States with respect to food safety; and

(4) based on the report of the Commission referred to in subsection (a) and the proposed legislation referred to in subsection (b), Congress should work toward a comprehensive legislative response to the issue of food safety.

SA 3845. Mr. HARKIN (for Mr. KENNY (for himself and Mr. DURBIN)) proposed an amendment to the bill S. 3539 proposed by Mr. DURBIN to the amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAucus, and Mr. GRASSLEY) to the amendment S. 3513 proposed by Mr. MILLS, Mr. HARKIN, Mr. BROWN, and Mr. GRASSLEY, to extend the continuity of agricultural programs through fiscal year 2012, and for other purposes; as follows:

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subtitle.

This section shall take effect one day after this bill’s enactment.
direct investments in business operations described in subsection (d).

On page 10, lines 24 and 25, strike ‘‘, directly or indirectly.’’

On page 10, strike lines 9 through 16.

On page 16, line 17, strike ‘‘(d)’’ and insert ‘‘(c)’’.

On page 17, line 3, strike ‘‘(e)’’ and insert ‘‘(d)’’.

On page 17, line 11, strike ‘‘(g)’’ and insert ‘‘(h)’’.

SA 3847. Mr. HARKIN (for Mr. RAU-
CUS (for himself and Mr. GRASSLEY)) proposed an amendment to the bill H.R. 3997, to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes, as follows:

Strike all after the enacting clause and insert the following:

TITLE I—MEMBERS AND PROTECTIONS FOR MILITARY PERSONNEL

Sec. 1. Short title; etc.

Sec. 101. Permanent extension of qualified mortgage bond program rules for veterans.

Sec. 102. Exclusion of certain amounts from income for purposes of eligibility for certain housing provisions.

Sec. 103. Permanent extension of election to treat combat pay as earned income.

Sec. 104. Extension of statute of limitations to file claims for refunds relating to disability determinations by Department of Veterans Affairs.

Sec. 105. Credit for employer differential wage payments to employees who are active duty members of the armed forces.

Sec. 106. Permanent extension of penalty-free withdrawals from retirement plans by individuals called to active duty.

Sec. 107. State payments to service members treated as qualified military benefits.

Sec. 108. Survivor and disability payments with respect to qualified military service.

Sec. 109. Treatment of disability income as wages.

Sec. 110. Disclosure of return information relating to veterans programs made permanent.

Sec. 111. Contributions of military death gratuities to Roth IRAs and Education Savings Accounts.

TITLE II—CERTAIN HOUSING BENEFITS FOR INLAW COMMUNITY AND PEACE CORPS VOLUNTEERS

Sec. 201. Permanent exclusion of gain from sale of a principal residence by certain employees of the inlaw community.

Sec. 202. Suspension of 5-year period during service with the Peace Corps.

TITLE III—REVENUE PROVISIONS

Sec. 301. Revision of tax rules on expatriation.

Sec. 302. Special enrollment option by employer for members of uniformed services who lose health care coverage.

Sec. 303. Increase in minimum penalty on failure to file a return of tax.

TITLE I—TAX RELIEF AND PROTECTION FOR MILITARY PERSONNEL

Sec. 101. PERMANENT EXTENSION OF QUALIFIED MORTGAGE BOND PROGRAM RULES FOR VETERANS.

(a) In general.—Section 142(d)(2)(D) (relating to exception) is amended by striking ‘‘in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2008’’.

(b) Effective date.—The amendment made by this section shall apply to bonds issued after December 31, 2007.

Sec. 102. EXCLUSION OF CERTAIN AMOUNTS FROM INCOME FOR PURPOSES OF ELIGIBILITY FOR CERTAIN HOUSING PROVISIONS.

(a) In general.—The last sentence of 121(e)(2), (E) (relating to income from the uniformed services) is amended by striking ‘‘, and’’ and inserting ‘‘, and shall be disregarded.’’.

(b) Effective date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

Sec. 103. PERMANENT EXTENSION OF ELECTION TO TREAT COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) In general.—Clause (vi) of section 32(c)(2)(B) (defining earned income) is amended to read as follows:

‘‘(vi) a taxpayer may elect to treat amounts excluded from gross income by reason of section 112 as earned income.’’

(b) Effective date.—The amendment made by this section shall apply to taxable years ending after December 31, 2007.

Sec. 104. EXTENSION OF STATUTE OF LIMITATIONS TO FILE CLAIMS FOR REFUNDS RELATING TO DISABILITY DETERMINATIONS BY DEPARTMENT OF VETERANS AFFAIRS.

(a) In general.—Subsection (d) of section 321(c)(3)(B) (defining earned income) is amended to read as follows:

‘‘(B) the section 121 combat pay, the combat pay, and the combat pay withheld from the combat pay, respectively, are included in gross income, without regard to any reduction attributable to the employment of combat pay as wages by the armed forces.’’

(b) Effective date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

Sec. 105. CREDIT FOR EMPLOYER DIFFERENTIAL WAGE PAYMENTS TO EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNITED STATES ARMED FORCES.

(a) In general.—Subpart D of part IV of subchapter A of chapter 1 (relating to business employer credits) is amended to read as follows:

‘‘(A) in general.—The term ‘qualified employee’ means a person who has been an employee of the employer for the 91-day period immediately preceding the period for which any differential wage payments are made.

(b) Coordination with other credits.—The amount of the credit determined under this section is reduced (in the case of any taxable year) by the amount of any credit allowed under section 25A with respect to any taxable year which began more than 5 years before the date of such determination.

(c) Coordination with other credits.—The amount of the credit determined under this section is reduced by the amount of any credit allowed under section 25A with respect to any taxable year which began more than 5 years before the date of such determination.

(d) Coordination with other credits.—The amount of the credit determined under this section is reduced by the amount of any credit allowed under section 25A with respect to any taxable year which began more than 5 years before the date of such determination.

(e) Coordination with other credits.—The amount of the credit determined under this section is reduced by the amount of any credit allowed under section 25A with respect to any taxable year which began more than 5 years before the date of such determination.

(f) Coordination with other credits.—The amount of the credit determined under this section is reduced by the amount of any credit allowed under section 25A with respect to any taxable year which began more than 5 years before the date of such determination.

Sec. 106. CREDIT FOR EMPLOYER DIFFERENTIAL WAGE PAYMENTS TO EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNITED STATES ARMED FORCES.

(a) In general.—The term ‘eligible differential wage payments’ means, with respect to each qualified employee, the differential wage payments made by the employer for any taxable year, any employer which—

(i) employed an average of less than 50 employees during such taxable year,

(ii) on or before the date of the enactment of this Act, made the election provided by this section;

(b) Effective date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.
STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

"(1) any taxable year, beginning after the date of the enactment of this section, in which the taxpayer fails to make a timely determination, under the law in effect on the date that the determination is made, of whether there was a violation of chapter 43 of such title, and

"(2) the 2 succeeding taxable years.

(e) CERTAIN RULES TO APPLY.—For purposes of this section, rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply.

(f) TERMINATION.—This section shall not apply to any payment made after December 31, 2009.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS Credits determined under section 38(b) (relating to general business credit) is amended by striking "plus" at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting ", plus", and by adding at the end of following new paragraph:

"(32) the differential wage credit determined under section 45O(a),"

(c) FOR COMPENSATION TAKEN INTO ACCOUNT FOR CREDIT.—Section 280(c)(a) (relating to rule for employment credits) is amended by inserting "§450(a), after "(a)"

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"§450. Employer wage credit for employees who are active duty members of the uniformed services.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after the date of the enactment of this Act.

SEC. 106. PERMANENT EXTENSION OF PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS BY INDIVIDUAL CALLED TO ACTIVE DUTY.

Clause (iv) of section 72(t)(2)(G) (relating to distributions from retirement plans to individuals called to active duty) is amended by striking all after "September 11, 2001" and inserting a period.

SEC. 107. STATE PAYMENTS TO SERVICE MEMBERS QUALIFIED MILITARY BENEFITS.

(a) IN GENERAL.—Section 134(b) (defining qualified military benefit) is amended by adding at the end the following new paragraph:

"(5) THE TERM "QUALIFIED MILITARY SERVICE" MEANS—

"(A) any period of service with the uniformed services while on active duty

"(B) any period of service with the uniformed services while on active duty in a special period of service for the employer.

(b) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS TO ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(1) IN GENERAL.—For purposes of subsection (a), any differential wage payment shall be treated as a payment of wages by the employer to the employee.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to remuneration paid after December 31, 2007.

SEC. 108. SURVIVOR AND DISABILITY PAYMENTS WITH RESPECT TO QUALIFIED MILITARY SERVICE.

(a) PLAN QUALIFICATION REQUIREMENT FOR DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—Subsection (a) of section 401 (relating to requirements for qualification of plans) is amended by inserting after paragraph (36) the following new paragraph:

"(37) DEATH BENEFITS UNDER USERRA-QUALIFIED ACTIVE MILITARY SERVICE.—A trust shall not be treated as a qualified trust unless the plan provides that, in the case of a participant who dies while performing qualified military service (as defined in section 414(u), the survivors of the participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that the plan had the participant resummed and then terminated employment on account of death.

(b) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE FOR BENEFIT ACCRUAL PURPOSES.—Subsection (a) of section 414 (relating to section 414) is amended by redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively, and by inserting after paragraph (8) the following new paragraph:

"(11) TREATMENT IN THE CASE OF DEATH OR DISABILITY RESULTING FROM ACTIVE MILITARY SERVICE.

"(A) IN GENERAL.—For benefit accrual purposes, an employer sponsoring a retirement plan may treat an individual who dies or becomes disabled (as defined under the terms of the plan) while performing qualified military service with respect to the employer maintaining the plan as if the individual has resumed employment rights under USERRA, in accordance with the employer's reemployment rights under chapter 43 of title 38, United States Code, on the day preceding death or disability (as the case may be) and terminates employment on the actual date of death or disability. In the case of any such treatment, and subject to subparagraphs (B) and (C), any full or partial compliance by such plan with respect to the benefit accrual requirements of paragraph (8) with respect to such individual shall be treated for purposes of paragraph (1) as if such compliance were required under such chapter 43.

"(B) NONDISCRIMINATION REQUIREMENT.—Subparagraph (A) shall apply only if all individuals performing qualified military service with respect to the employer maintaining the plan as if the individual has resumed employment rights under USERRA), as amended by substituting "2011" for "2009" in subclause (II).

(c) CONFORMING AMENDMENTS.

(1) Section 401(a)(25)(B) is amended by striking "(A) for purposes of applying paragraph (1)" and inserting "(A) for purposes of applying paragraph (8)(C)".

(2) Section 401(a)(25)(C) is amended by striking the period at the end of paragraph (3) and inserting ", and (7)

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to deaths and disabilities occurring on or after January 1, 2007.

(2) PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this subparagraph applies to any plan or contract amendment, such plan or contract shall be treated as being operated in accordance with the terms of such plan during the period described in subparagraph (B)(ii).

(b) AMENDMENTS TO WHICH SUBPARAGRAPH (A) APPLIES.

(1) IN GENERAL.—Subparagraph (A) shall apply to any amendment to any plan or annuity contract which is made—

"(i) pursuant to the amendments made by subsection (a) or pursuant to any regulation issued by the Secretary of the Treasury under subsection (a), and

"(ii) on or before the last day of the first plan year beginning on or after January 1, 2009.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this clause shall be applied by substituting "2011" for "2009" in subclause (II).

(II) CONDITIONS.—This paragraph shall not apply to any amendment unless the plan or contract is operated as if such plan or contract amendment were in effect for the period described in clause (iii), and

"(III) PERIOD DESCRIBED.—The period described in this clause is the period

"(I) beginning on the effective date specified by the plan,

"(II) ending on the date described in clause (i)(II) (if earlier), the date the plan or contract amendment is adopted.

SEC. 109. TREATMENT OF DIFFERENTIAL MILITARY PAY AS WAGES.

(a) INCOME TAX WITHHOLDING ON DIFFERENTIAL WAGE PAYMENTS.

(1) IN GENERAL.—Section 3401 (relating to definitions) is amended by adding at the end the following new subsection:

"(a) DIFFERENTIAL WAGE PAYMENTS TO ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

"(1) IN GENERAL.—For purposes of subsection (a), any differential wage payment shall be treated as a payment of wages by the employer to the employee.

(b) TREATMENT OF DIFFERENTIAL WAGE PAYMENT.—For purposes of paragraph (1), the term 'differential wage payment' means any payment which—

"(I) is made by an employer to an individual with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days, and

"(II) represents all or a portion of the wages the individual would have received from the employer if the individual were performing service for the employer.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to remuneration paid after December 31, 2007.
title to a retirement plan to which this subsection applies—

“(1) an individual receiving a differential wage payment shall be treated as an employee under any plan or annuity contract amendment unless—

(i) during the period beginning on the date the amendment described in subparagraph (A)(i) takes effect and ending on the date described in subparagraph (A)(iii) (or, if earlier, the date the plan or contract amendment is adopted in accordance with subparagraph (F)), if such plan or contract amendment were in effect, and

(ii) such plan or contract amendment applies retroactively for such period.

SEC. 110. DISCLOSURE OF RETURN INFORMATION RELATED TO VETERANS PREMIUMS.

(a) IN GENERAL.—The Secretary shall make available to the Secretary of Defense, the Secretary of Veterans Affairs, and other appropriate Federal agencies any information necessary to determine whether the requirements of section 3401(h)(2) are met.

(b) EFFECTIVE DATE.—This section shall apply to any plan or contract amendment entered into on or after December 31, 2007.

SEC. 111. CONTRIBUTIONS OF MILITARY DEATH GRATUITIES TO ROTH IRAS AND EDUCATION SAVINGS ACCOUNTS.

(a) PROVISION IN EFFECT BEFORE PENSION PROTECTION ACT.—Subsection (e) of section 408A (relating to qualified rollover contributions), as in effect after June 30, 2006, is amended to read as follows:

“(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified rollover contribution’ includes a contribution to a Roth IRA from another such account, or from an individual retirement plan, but only if such contribution is made in accordance with section 408A(e)(2) or to another Coverdell education savings account made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 408A(e)(1) (relating to contributions to a Roth IRA).

“(2) TAXABLE DISTRIBUTION.—For purposes of section 408A(e)(2), the term ‘taxable distribution’ includes a distribution which is includible in gross income under section 72.

“(b) EXCEPTED ROLLOVER CONTRIBUTIONS.—For purposes of applying section 408A(e)(2), the term ‘excepted rollover contribution’ includes a distribution which is includible in gross income under section 72.

“(c) EDUCATION SAVINGS ACCOUNTS.—Subsection (d) of section 530 is amended by adding at the end the following new paragraph:

“(D) APPLICATION OF SECTION 72.—For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.”.

“(d) PROVISIONS RELATING TO PLAN AMENDMENTS.—(1) In general.—This subsection shall apply to any plan or annuity contract amendment unless—

“(i) during the period beginning on the date the plan or contract amendment is adopted in accordance with the requirements described in paragraph (1) of section 3401(h)(2), and

“(ii) the plan or contract amendment is not subject to the requirements described in subparagraph (F) of section 3401(h)(2) (relating to plans or contracts entered into after the amendments made by section 824 of the Pension Protection Act of 2006, as amended to read as follows:

“(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section—

“(i) the term ‘qualified rollover contribution’ means a rollover contribution—

“(A) to a Roth IRA from another such account,

“(B) from an eligible rollover plan, but only if—

“(i) the plan or contract amendment is adopted in accordance with subparagraph (A) (relating to plans or contracts entered into after the amendments made by section 824 of the Pension Protection Act of 2006), and

“(ii) the term ‘qualified rollover contribution’ includes a contribution to a Roth IRA maintained for the benefit of an individual made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 408A(e)(1) (relating to contributions to a Roth IRA) for which such individual is treated as a rollover by reason of subparagraph (A) of section 408A(e)(2); and

“(c) EFFECTIVE DATES.—(1) In general.—Except as provided by paragraphs (2) and (3), the amendments made by this section shall apply to deaths from injuries occurring on or after the date of the enactment of this Act. December 12, 2007

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(2) APPLICATION OF AMENDMENTS TO DEATHS FROM INJURIES OCCURRING ON OR AFTER OCTOBER 7, 2001, AND BEFORE ENACTMENT.—The amendments made by this section shall apply to amounts received under section 1091 after the date of the enactment of this Act for deaths from injuries occurring on or after October 7, 2001, and before the date of the enactment of this Act if such contribution is held to be includible in the gross income of any individual by reason of subchapter N of chapter 1 for the taxable year which includes the date of the death, or in the gross income of any individual in a previous taxable year by reason of subchapter N of chapter 1 for the taxable year which includes the date of the death.

(a) IN GENERAL.—Subsection (a) of section 121(d)(9) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 11041(a) for the calendar year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

(c) TEMPORARY PERIOD.—During the calendar year ending December 31, 2007, paragraphs (1) and (2) of subsection (a) of section 121(d)(9) of title 10, United States Code, shall be extended until the due date of the return for the taxable year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(a) IN GENERAL.—Subsection (a) of section 121(d)(9) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 11041(a) for the calendar year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

§622. SUSPENSION OF 5-YEAR PERIOD DURING SERVICE WITH THE PEACE CORPS.

(a) IN GENERAL.—Subsection (a) of section 121(m) of title 26, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 11041(a) for the calendar year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

§301. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subsection (a) of section 121(m) of title 26, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 11041(a) for the calendar year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

§301. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subsection (a) of section 121(m) of title 26, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 11041(a) for the calendar year in which such taxable year begins, by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.

§301. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subsection (a) of section 121(m) of title 26, United States Code, is amended by adding at the end the following new paragraph:

"(I) such dollar amount, multiplied by

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(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 2010.
section 83.
connection with the performance of services
account to reflect such treatment.
expatriation date,
the case of any interest in a specified tax de-
or chapter 24.
be subject to withholding under section 1441
item which is attributable to services per-
dent of the United States.
formed outside the United States while the
item that is attributable to services per-
section 871.
paragraph (1) shall be subject to tax under
chapter 3 shall apply for purposes of this sub-
Rules similar to the rules of subchapter B of
any item of deferred compensation, and
any property, or right to property, which the individual is entitled to receive in connection with the performance of services to the extent not previously taken into ac-
under section 83 or in accordance with section
Exception.—Paragraphs (1) and (2) shall not apply to any deferred compensation item which is attributable to services performed outside the United States while the
covered expatriate was not a citizen or resi-
dent of the United States.

6) Special rules.—
(A) Application of withholding rules.—Rules similar to the rules of subchapter B of chapter 3 shall apply for purposes of this sub-

7) Coordination with other withholding requirements.—Any item subject to withholding under paragraph (1) shall not be subject to withholding under section 1411 or chapter 24.

(e) Treatment of Specified Tax Deferred Accounts.—
(1) Account created as distributed.—In the case of any interest in a specified tax deferred account held by a covered expatriate on the day before the expatriation date:
(A) the account shall be treated as receiving a distribution of its entire interest in such account on the day before the expatriation date;

8) Early distribution tax.—The term ‘early distribution tax’ means any increase in tax imposed under section 72(t), 220(e)(4), 223(b)(4), 4956a(a)(1), subsection (d)(3), or section 53(d)(4).

9) Other rules.—
(1) Termination of deferrals, etc.—In the case of any covered expatriate, notwithstanding any other provision of this title—
(A) any time period for acquiring property which would result in the reduction in the amount of gain recognized with respect to property disposed of by the taxpayer shall terminate on the day before the expatriation date,
(B) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

(2) Step-up in basis.— Solely for purposes of determining any tax imposed by reason of subparagraph (a) or (b), property held by an individual on the date the individual first became a resident of the United States (within the meaning of section 7701(b)) shall be treated as having a basis on such date of not less than the fair market value of such property on such date. The preceding sentence shall not apply if the individual elects not to have such sentence apply. Such an election, once made, shall be irrevocable.

(3) Coordination with section 68.—If the expatriation of any individual would result in the recognition of gain under section 684, this section shall be applied after the application of section 684.

(4) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

10) Tax on Gifts and Bequests Received by United States Citizens and Residents from Expatriates.—
(1) In general.—Subtitle B (relating to estate and gift taxes) is amended by inserting after section 14 the following new chapter:

Chapter 15—Gifts and Bequests from Expatriates

Sec. 2801. Imposition of tax.

Sec. 2801. Imposition of tax.

(1) In general.—If, during any calendar year, any United States citizen or resident receives any covered gift or bequest, there is hereby imposed a tax equal to the product of—
(A) the highest rate of tax specified in the table contained in section 2201(c) as in effect on the date of such receipt, and

(2) the value of such covered gift or bequest.

(b) Tax to be paid by recipient.—The tax imposed by subsection (a) on any covered gift or bequest shall be paid by the person receiving such gift or bequest.
"(c) Exception for Certain Gifts.—Subsection (a) shall apply only to the extent that the value of covered gifts and bequests received by any person during the calendar year exceeds $10,000.

(d) Tax Reduced by Foreign Gift or Estate Tax.—The tax imposed by subsection (a) on any covered gift or bequest shall be reduced by any gift or estate tax paid to a foreign country with respect to such covered gift or bequest.

(e) Covered Gift or Bequest.—(1) For purposes of this chapter, the term ‘covered gift or bequest’ means—

(A) any property acquired by gift directly or indirectly by an individual who, at the time of such acquisition, is a covered expatriate, and

(B) any property acquired directly or indirectly by reason of the death of an individual, immediately before such death, was a covered expatriate.

(2) Exceptions for Transfers Otherwise Subject to Estate or Gift Tax.—Such term shall not include—

(A) any property shown on a timely filed return of tax imposed by chapter 12 which is a taxable gift by the covered expatriate, and

(B) any property included in the gross estate of the covered expatriate for purposes of chapter 12 which is paid or accrued by a trust.

(3) Transfers in Trust.—(A) Domestic Trusts.—In the case of a covered gift or bequest made to a domestic trust—

(i) subsection (a) shall apply in the same manner as if such trust were a United States citizen, and

(ii) the tax imposed by subsection (a) on such gift or bequest shall be paid by such trust.

(B) Foreign Trusts.—

(i) In General.—In the case of a covered gift or bequest made to a foreign trust, subsection (a) shall apply to any distribution attributable to such gift or bequest from such trust (whether from income or corpus) to a United States citizen or resident in the same manner as if such distribution were a covered gift or bequest.

(ii) Deduction for Tax Paid by Recipient.—There shall be allowed as a deduction under section 62(a)(1) the amount of tax imposed by this section which is paid or accrued by a United States citizen or resident by reason of a distribution from a foreign trust, but only to the extent that such deduction is paid or accrued by the portion of such distribution which is included in the gross income of such citizen or resident.

(iii) Election to Be Treated as Domestic Trust.—Solely for purposes of this section, a foreign trust may elect to be treated as a domestic trust. Such an election may be revoked by the consent of the Secretary.

(1) Covered Expatriate.—For purposes of this section, the term ‘covered expatriate’ has the meaning given to such term by section 1111(f).

(2) Clerical Amendment.—The table of chapters for subtitle B is amended by inserting after the item relating to chapter 14 the following new item:

‘Chapter 15. Gifts and Bequests From Expatriates.’.

(c) Definition of Termination of United States Citizenship.—

(1) In General.—Section 701(a) is amended by adding at the end the following new paragraph:

‘(50) Termination of United States Citizenship.—

(A) In General.—An individual shall not cease to be treated as a United States citizen before the date on which the individual’s citizenship is treated as relinquished under section 877(a)(4).

(B) Dual Citizens.—Under regulations prescribed by the Secretary (subject to subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.’.

(2) Effective Date of Amendments.—(A) Paragraph (1) of section 877(e) is amended to read as follows:

‘(1) In General.—Any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)) shall be treated for purposes of this section in the same manner as if such resident were a citizen of the United States who lost United States citizenship on the date of such cessation or commencement.’.

(B) Paragraph (6) of section 7701(b) is amended by adding at the end the following flush sentence:

‘An individual shall cease to be treated as a lawful permanent resident of the United States if such individual commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country, does not waive the benefits of such treaty applicable with respect to such foreign country, and notifies the Secretary of the commencement of such treatment.’.

(C) Section 701 is amended by striking subsection (n) and by redesignating subsections (o) and (p) as subsections (n) and (o), respectively.

(d) Information Returns.—Section 6038G is amended—

(1) by inserting ‘or 877A’ after section 877(b) in subsection (a), and

(2) by inserting ‘or 877A’ after section 877A in subsection (a).

(e) Clerical Amendment.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

‘Sec. 87A. Tax responsibilities of expatriates.’.

(f) Effective Date.—(1) In General.—Except as provided in this subsection, the amendments made by this section apply to covered gifts and bequests (as defined in section 877A(g)(4)) received on or after the date of the enactment of this Act.

(2) Effective Date of Coverage.—Coverage under subparagraph (A) shall become effective on the first day of the first month after the date of such request.

(b) Employer Retirement Income Security Act of 1974.—Section 701(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181) is amended by adding at the end the following:

‘(3) Loss of Military Health Coverage.—

(A) In General.—Notwithstanding paragraphs (1) and (2), a group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or terms of the independent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms to enroll for coverage under the terms of the plan if one of the following conditions is met:

(i) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 433 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty, and the employee or dependent loses eligibility for such coverage.

(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

(iii) The employee requests such coverage not later than 90 days after the date on which such coverage described in clause (i) terminated.

(B) Effective Date of Coverage.—Coverage requested under subparagraph (A)(ii) shall become effective on the first day of the first month after the date of such request.

(c) Public Health Service Act.—Section 2701(f) of the Public Health Service Act (42 U.S.C. 300gg-7(a)) is amended by adding at the end the following:

‘(2) Loss of Military Health Coverage.—

(A) In General.—Notwithstanding paragraphs (1) and (2), a group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if one of the following conditions is met:

(i) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 433 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty, and the employee or dependent loses eligibility for such coverage.

(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

(iii) The employee requests such coverage not later than 90 days after the date on which such coverage described in clause (i) terminated.

(iv) The employee or dependent, by reason of service in the uniformed services (within the meaning of section 433 of title 38, United States Code), was covered under a Federal health care benefit program (including coverage under the TRICARE program (as that term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs or as a member of the uniformed services on active duty, and the employee or dependent loses eligibility for such coverage.

(v) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

(vi) The employee requests such coverage not later than 90 days after the date on which such coverage described in clause (i) terminated.'
term is defined in section 1072 of title 10, United States Code) or by reason of entitlement to health care benefits under the laws administered by the Secretary of Veterans Affairs (or a member of the uniformed services on active duty), and the employee or dependent loses eligibility for such coverage.

(ii) The employee or dependent is otherwise eligible to enroll for coverage under the terms of the plan.

(iii) The employee requests such coverage not later than 90 days after the date on which the coverage described in clause (i) terminated.

(b) EFFECTIVE DATE OF COVERAGE.—Coverage requested under subparagraph (A)(ii) shall begin not later than the first day of the first month after the date of such request.

(d) REGULATIONS.—The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, consistent with section 104 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 300gg-92 note), may promulgate such regulations as may be necessary or appropriate to require the notification of individuals (or their dependents) of their rights under the amendment made by this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of enactment of this Act.

SEC. 301. INCREASE IN MINIMUM PENALTY ON FAILURE TO FILE A RETURN OF TAX.

(a) IN GENERAL.—Subsection (a) of section 6651 is amended by striking “$100” in the last sentence and inserting “$250.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns or statements of tax due for a tax period ending on or after the date of enactment of this Act.

SA 3848. Mr. HARKIN (for Mr. Baucus) proposed an amendment to the bill H.R. 2369, the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes; as follows:

Amend the title so as to read: “An Act to amend the Internal Revenue Code of 1986 to provide tax relief and protections for military personnel, and for other purposes; as follows:—

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to advise that the oversight hearing scheduled before the Senate Committee on Energy and Natural Resources to receive testimony regarding Reform of the Mining Law of 1872, on Thursday, December 13, 2007, at 9:30 a.m., has been postponed. A rescheduled date and time will be announced when available.

For further information, please contact Patty Beneke at (202) 224-5451, Angela Becker-Dippman at (202) 224-5269 or Gina Weinstock at (202) 224-5684.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 11 a.m. in order to hold a closed briefing on North Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet in Executive session during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in room 430 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in order to consider the nominations of Harvey E. Johnson, Jr., to be Deputy Administrator, Federal Emergency Management Agency, U.S. Department of Homeland Security, and Jeffrey William Ruuge to be Assistant Secretary for Health Affairs and Chief Medical Officer, U.S. Department of Homeland Security.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, December 12, 2007, at 10 a.m. in order to hear testimony on the funding challenges and facilities maintenance issues facing the Smithsonian Institution.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. HARKIN. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet tomorrow, Wednesday, December 12, 2007 from 10:30 a.m.—12:30 p.m. in room SD-628 of the Dirksen Senate Office Building for the purposes of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary, Subcommittee on the Constitution, be authorized to meet during the session of the Senate, in order to conduct a hearing entitled “S. 1782, The Arbitration Fairness Act of 2007” on Wednesday, December 12, 2007 at 9:30 a.m. in room SD-229 of the Dirksen Senate Office Building.

Witneses: Richard M. Alderman, Associate Dean, University of Houston Law Center, Houston, Texas; Mark A. de Bernardos, Executive Director and President, National Employment Law Project; Jackson Lewis LLP, Vienna, Virginia; F. Paul Bland, Jr., Staff Attorney, Public Justice, Washington, DC; Fonza Luke, Birmingham, Alabama; Richard Naimark, Senior Vice President, The American Arbitration Association, Washington, DC; Peter B. Rutledge, Associate Professor of Law, Columbus School of Law, The Catholic University of America, Washington, DC; and Tanya Solov, Director, Special Projects Department, Illinois Secretary of State, Chicago, Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that a member of my staff, Dave Frederickson, who is my agriculture staff person from Minnesota and former head of the National Farmers Union, be granted floor privileges for the remainder of the farm bill debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 96–114, as amended, appoints the following individual to the Congressional Award Board: Patrick Murphy of Washington, DC, and reappoints the following individual to the Congressional Award Board: Andrew Ortiz of Arizona.

The Chair, on behalf of the majority leader, and after consultation with the ranking members of the Senate Committee on Armed Services and the Senate Committee on Finance, pursuant to Public Law 106–398, appoints the following individual as a member of the United States–China Economic Security Review Commission: Patrick A. Mulloy of Virginia for a term beginning January 1, 2008, and expiring December 31, 2009, vice C. Richard D’Amato of Maryland, and reappoints the following individual to the United States-China Economic Security Review Commission: William A. Reinsch of Maryland for a term beginning January 1, 2008, and expiring December 31, 2009.

CONGRATULATING BOYS TOWN ON ITS 90TH ANNIVERSARY CELEBRATION

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 403, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 403) congratulating Boys Town on its 90th anniversary celebration.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HARKIN. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed