

112TH CONGRESS
1ST SESSION

H. R. 1756

To reauthorize the National Oilheat Research Alliance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2011

Mr. BASS of New Hampshire (for himself, Mr. WELCH, Mr. PALLONE, and Mr. LANCE) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To reauthorize the National Oilheat Research Alliance, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Oilheat Re-
5 search Alliance Reauthorization Act of 2011”.

6 **SEC. 2. AMENDMENTS.**

7 (a) FINDINGS.—Section 702 of the National Oilheat
8 Research Alliance Act of 2000 (42 U.S.C. 6201 note; Pub-
9 lic Law 106–469) is amended by striking “oilheat” each
10 place it appears and inserting “oilheat fuel”.

1 (b) DEFINITIONS.—Section 703 of the National
2 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
3 note; Public Law 106–469) is amended—

4 (1) by striking “oilheat” each place it appears
5 (other than paragraph (10)) and inserting “oilheat
6 fuel”;

7 (2) in paragraph (2), by inserting “, including
8 information on energy conservation strategies, safe-
9 ty, new technologies that reduce consumption or im-
10 prove safety, and State, local, or Federal programs
11 designed to assist oilheat fuel consumers” after “hot
12 water heating fuels”;

13 (3) by striking paragraph (7) and inserting the
14 following:

15 “(7) OILHEAT FUEL.—The term ‘oilheat fuel’
16 means fuel that—

17 “(A) is—

18 “(i) No. 1 distillate;

19 “(ii) No. 2 dyed distillate;

20 “(iii) a liquid blended with No. 1 dis-
21 tillate or No. 2 dyed distillate; or

22 “(iv) a biobased liquid; and

23 “(B) is used as a fuel for nonindustrial
24 commercial or residential space or hot water
25 heating.”;

1 (4) in the heading for paragraph (8), by strik-
2 ing “OILHEAT” and inserting “OILHEAT FUEL”;

3 (5) in paragraph (14)—

4 (A) by striking “No. 1 distillate or No. 2
5 dyed distillate” each place it appears and in-
6 serting “oilheat fuel”; and

7 (B) in subparagraph (B), by striking “sells
8 the distillate” and inserting “sells the oilheat
9 fuel”; and

10 (6) by redesignating paragraphs (14) and (15)
11 as paragraphs (15) and (14), respectively, and mov-
12 ing paragraph (15) (as so redesignated) to appear
13 after paragraph (14).

14 (c) REFERENDA.—Section 704 of the National
15 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
16 note; Public Law 106–469) is amended—

17 (1) by striking “oilheat” each place it appears
18 and inserting “oilheat fuel”;

19 (2) by striking “No. 1 distillate and No. 2 dyed
20 distillate” each place it appears in subsections (a)
21 and (c) and inserting “oilheat fuel”;

22 (3) in subsection (a)—

23 (A) in paragraph (5)(B), by striking “Ex-
24 cept as provided in subsection (b), the” and in-
25 serting “The”; and

1 (B) in paragraph (6), by striking “, No. 1
2 distillate, or No. 2 dyed distillate”;

3 (4) in subsection (b), by striking “under” and
4 inserting “consistent with”; and

5 (5) in the heading for subsection (d), by strik-
6 ing “OILHEAT” and inserting “OILHEAT FUEL”.

7 (d) MEMBERSHIP.—Section 705 of the National
8 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
9 note; Public Law 106–469) is amended—

10 (1) by striking “oilheat” each place it appears
11 and inserting “oilheat fuel”;

12 (2) in subsection (b)(2), by striking “No. 1 dis-
13 tillate and No. 2 dyed distillate” and inserting
14 “oilheat fuel”; and

15 (3) by striking subsection (c) and inserting the
16 following:

17 “(c) NUMBER OF MEMBERS.—

18 “(1) IN GENERAL.—The membership of the Al-
19 liance shall be as follows:

20 “(A) One member representing each State
21 participating in the Alliance.

22 “(B) Five representatives of retail market-
23 ers, of whom 1 shall be selected by each of the
24 qualified State associations of the 5 States with
25 the highest volume of annual oilheat fuel sales.

1 “(C) Five additional representatives of re-
2 tail marketers.

3 “(D) Twenty-one representatives of whole-
4 sale distributors.

5 “(E) Six public members, who shall be rep-
6 resentatives of significant users of oilheat fuel,
7 the oilheat fuel research community, State en-
8 ergy officials, or other groups with expertise in
9 oilheat fuel.

10 “(2) FULL-TIME OWNERS OR EMPLOYEES.—

11 “(A) IN GENERAL.—Except as provided in
12 subparagraph (B), other than the public mem-
13 bers of the Alliance, Alliance members shall be
14 full-time managerial owners or employees of
15 members of the oilheat fuel industry.

16 “(B) EMPLOYEES.—Members described in
17 subparagraphs (B), (C), and (D) of paragraph
18 (1) may be employees of the qualified industry
19 organization or an industry trade association.”.

20 (e) FUNCTIONS.—Section 706 of the National
21 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
22 note; Public Law 106–469) is amended—

23 (1) by striking “oilheat” each place it appears
24 and inserting “oilheat fuel”;

1 (2) in subsection (a)(1)(A)(ii), by inserting “,
2 including providing the cost of installing appliances
3 in low-income households” after “utilization equip-
4 ment”;

5 (3) in subsection (a), by adding at the end the
6 following new paragraph:

7 “(4) TRAINING AND RESEARCH AND DEVELOP-
8 MENT AS A PRIORITY.—Of the assessments collected
9 by the Association pursuant to section 707, not less
10 than 40 percent shall be devoted to a category of
11 outlays comprised of training projects and research,
12 development, and demonstration projects, with a pri-
13 ority on research, development, and demonstration
14 projects that would enhance efficiency through the
15 use of biobased liquids. Training and research under
16 this paragraph shall include the development and
17 demonstration of advanced biofuels.”;

18 (4) in the heading for subsection (c)(2), by
19 striking “OILHEAT” and inserting “OILHEAT FUEL”;

20 (5) by redesignating paragraph (4) of sub-
21 section (e) as paragraph (5);

22 (6) by inserting after subsection (e)(3) the fol-
23 lowing new paragraph:

24 “(4) RESPONSE TO RECOMMENDATIONS.—If
25 the Secretary makes recommendations under para-

1 graph (3), the Alliance shall, before implementation
2 of the budget with respect to which the rec-
3 ommendations pertain, provide to the Secretary and
4 the Congress a report describing the Alliance’s re-
5 sponse to the recommendations.”;

6 (7) by amending subsection (f)(2)(C) to read as
7 follows:

8 “(C) PROCEDURES TO ENSURE COMPLI-
9 ANCE.—The Alliance shall contract with a
10 qualified accounting firm to develop procedures
11 to ensure compliance with the Act. The Alliance
12 shall contract on a yearly basis with a qualified
13 accounting firm to evaluate whether such proce-
14 dures have been followed. Such evaluation shall
15 be included in the annual report required under
16 subsection (h) and shall be furnished to Con-
17 gress and to the Secretary of Energy.”; and

18 (8) in subsection (h)—

19 (A) by striking “and” at the end of para-
20 graph (1);

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

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

1 “(3) provides a detailed account of the amounts
2 spent by each qualified State association that re-
3 ceived funds pursuant to subsection (e) on training,
4 research, development, and demonstration, safety,
5 and consumer education.”.

6 (f) ASSESSMENTS.—Section 707 of the National
7 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
8 note; Public Law 106–469) is amended—

9 (1) by striking “oilheat” each place it appears
10 and inserting “oilheat fuel”;

11 (2) by striking subsection (a) and inserting the
12 following:

13 “(a) RATE.—

14 “(1) IN GENERAL.—The assessment rate for
15 calendar years 2012 and 2013 shall be equal to $\frac{2}{10}$
16 of 1 cent per gallon of oilheat fuel.

17 “(2) SUBSEQUENT ASSESSMENTS.—Subject to
18 paragraphs (3) and (4), beginning with calendar
19 year 2014, the annual assessment rate shall be suffi-
20 cient to cover the costs of the plans and programs
21 developed by the Alliance.

22 “(3) LIMITATIONS ON INCREASE.—

23 “(A) IN GENERAL.—The annual assess-
24 ment shall not exceed $\frac{1}{2}$ of 1 cent per gallon
25 of oilheat fuel.

1 “(B) LIMITATION.—The annual assess-
2 ment may not change by more than $\frac{1}{10}$ of 1
3 cent per gallon of oilheat fuel in any 12 month-
4 period.

5 “(C) APPROVAL.—No increase in the as-
6 sessment may occur unless—

7 “(i) the increase is approved by $\frac{3}{4}$ of
8 the members voting at a regularly sched-
9 uled meeting of the Alliance; and

10 “(ii) at least 90 days before the date
11 of the meeting of the Alliance, the Alliance
12 provides notice of the proposed increase to
13 the Committee on Energy and Natural Re-
14 sources of the Senate and the Committee
15 on Energy and Commerce of the House of
16 Representatives.

17 “(D) NOTICE.—The Alliance shall provide
18 notice of a change in assessment at least 90
19 days before the date on which the change is to
20 take effect.”;

21 (3) in subsections (b)(1) and (c), by striking
22 “No. 1 distillate and No. 2 dyed distillate” each
23 place it appears and inserting “oilheat fuel”;

24 (4) in subsection (b)—

1 (A) by striking “No. 1 distillate or No. 2
2 dyed distillate” each place it appears and in-
3 serting “oilheat fuel”; and

4 (B) in paragraphs (2)(B) and (5)(B), by
5 striking “fuel” each place it appears and insert-
6 ing “oilheat fuel”;

7 (5) in the heading for subsection (c), by strik-
8 ing “OILHEAT” and inserting “OILHEAT FUEL”;
9 and

10 (6) in subsection (e)(2)(A)(ii)(III), by striking
11 “directly benefit” and all that follows through “in-
12 dustry” and inserting “consumers of oilheat fuel”.

13 (g) MARKET SURVEY AND CONSUMER PROTEC-
14 TION.—Section 708 of the National Oilheat Research Alli-
15 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
16 469) is repealed.

17 (h) LOBBYING PROHIBITION.—Section 710 of the
18 National Oilheat Research Alliance Act of 2000 (42
19 U.S.C. 6201 note; Public Law 106–469) is amended to
20 read as follows:

21 **“SEC. 710. LOBBYING PROHIBITION.**

22 “No funds derived from assessments under section
23 707 collected by the Alliance shall be used directly or indi-
24 rectly to influence Federal, State, or local legislation or
25 elections, or the manner of execution of legislation, except

1 that the Alliance may use such funds to provide informa-
2 tion requested by a Member of Congress, or an official
3 of any Federal, State, or local agency, in the course of
4 the official business of such Member or official.”.

5 (i) VIOLATIONS.—Section 712(a) of the National
6 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
7 note; Public Law 106–469) is amended—

8 (1) in paragraph (2), by striking “oilheat” and
9 inserting “oilheat fuel”; and

10 (2) by striking paragraph (3) and inserting the
11 following:

12 “(3) a direct reference to a competing prod-
13 uct.”.

14 (j) EXTENSION.—Section 713 of the National Oilheat
15 Research Alliance Act of 2000 (42 U.S.C. 6201 note; Pub-
16 lic Law 106–469) is amended by striking “9 years after
17 the date on which the Alliance is established” and insert-
18 ing “7 years after the date of enactment of the National
19 Oilheat Research Alliance Reauthorization Act of 2011”.

20 **SEC. 3. RENEWABLE FUEL CONTENT.**

21 (a) RENEWABLE FUEL RESEARCH.—Section
22 706(a)(3)(B)(i)(I) of the National Oilheat Research Alli-
23 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
24 469) is amended by inserting “, including research to de-
25 velop renewable fuels and to examine the compatibility of

1 different renewable fuels with oilheat fuel utilization
2 equipment, with priority given to research on the develop-
3 ment and use of advanced biofuels” after “utilization
4 equipment”.

5 (b) REPORT.—The National Oilheat Research Alli-
6 ance shall prepare a report no later than one year after
7 date of enactment of this Act on the use of biofuels in
8 oilheat fuel utilization equipment. This report shall pro-
9 vide information on the environmental benefits, economic
10 benefits, and any technical limitations on the use of
11 biofuels in oilheat fuel utilization equipment. It shall also
12 describe market acceptance of the fuel, and information
13 on State and local governments that are encouraging the
14 use of these fuels in oilheat fuel utilization equipment. The
15 Alliance shall provide this report to the Governor of each
16 State, and other appropriate State leaders, where the Alli-
17 ance is operating. Additionally, a copy of this report will
18 be furnished to the Administrator of the Environmental
19 Protection Agency and to the Congress.

20 (c) CONSUMER EDUCATION MATERIALS.—The Alli-
21 ance shall develop consumer education materials in con-
22 junction with an institution or organization engaged in
23 biofuels research describing the benefits of using biofuels
24 as or in oilheat fuel based on the technical information

- 1 developed pursuant to subsection (b), as well as other in-
- 2 formation generally available.

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